

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 53

Page 19 ~ Referral/Direct;
Page 20 ~ Referral/Direct;
Page 21 ~ Referral/Direct;
Page 22 ~ Referral/Direct;
Page 23 ~ Referral/Direct;
Page 24 ~ Referral/Direct;
Page 25 ~ Referral/Direct;
Page 27 ~ b3; b6; b7C;
Page 28 ~ b3; b6; b7C;
Page 29 ~ b3;
Page 30 ~ b3; b6; b7C;
Page 31 ~ b3; b6; b7C;
Page 32 ~ b3; b6; b7C;
Page 33 ~ b3; b6; b7C;
Page 34 ~ b3; b6; b7C;
Page 35 ~ b3; b6; b7C;
Page 36 ~ b3; b6; b7C;
Page 37 ~ b3; b6; b7C;
Page 38 ~ b3; b6; b7C;
Page 39 ~ b3;
Page 40 ~ b3; b6; b7C;
Page 41 ~ b3; b6; b7C;
Page 42 ~ b3; b6; b7C;
Page 43 ~ b3; b6; b7C;
Page 44 ~ b3;
Page 45 ~ b3;
Page 46 ~ b3;
Page 156 ~ b3; b6; b7C;
Page 157 ~ b3; b6; b7C;
Page 158 ~ b3; b6; b7C;
Page 159 ~ b3; b6; b7C;
Page 160 ~ b3; b6; b7C;
Page 161 ~ b3; b6; b7C;
Page 162 ~ b3; b6; b7C;
Page 163 ~ b3; b6; b7C;
Page 164 ~ b3; b6; b7C;
Page 166 ~ b3; b6; b7C;
Page 167 ~ b3; b6; b7C;
Page 168 ~ b3; b6; b7C;
Page 169 ~ b3; b6; b7C;
Page 170 ~ b3; b6; b7C;
Page 171 ~ b3; b6; b7C;
Page 172 ~ b3; b6; b7C;
Page 173 ~ b3; b6; b7C;
Page 175 ~ b3; b6; b7C;
Page 176 ~ b3; b6; b7C;
Page 177 ~ b3; b6; b7C;
Page 179 ~ b3; b6; b7C;

Page 243 ~ Duplicate;
Page 325 ~ b6; b7C;
Page 326 ~ b6; b7C;
Page 331 ~ b3; b6; b7C;
Page 384 ~ b6; b7C;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Airtel

3/2/83

TO: SAC, NEW YORK (196B-1774)
FROM: SAC, HOUSTON (196B-881) (C)

MARC RICH;
ET AL;
FBW-ER
OO: NY

[redacted] Re HO airtel to NY, 1/4/83, and Special Agent (SA)
[redacted] telephone call from NY to HO, 2/9/83.

b6
b7C

Enclosed for New York is the original [redacted]
[redacted] which was obtained as evidence.
The originals of all other evidence obtained by the Houston
Division have previously been forwarded to the New York Division.

b6
b7C
b7D

New York requested that this [redacted] be provided to
them, since they are proceeding with investigation and possible
prosecution in which [redacted]
[redacted]

b6
b7C
b7D

No further investigation is being conducted at Houston.

50-51
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/28/01 BY SP5 JC/maj
CGR #01-081

② - New York (Enc. 1)
1 - Houston
MMW/bgp
(3)

1*

196B-1774-96
3/30/83

FBI

TRANSMIT VIA:

- ☐ Teletype
- ☐ Facsimile
- ☐ Airtel

PRECEDENCE:

- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 3/2/83

TO: SAC, NEW YORK (196B-1774)
FROM: SAC, HOUSTON (196B-881) (C)
MARC RICH;
ET AL;
FBW-ER
OO: NY

Re HO airtel to NY, 1/4/83, and Special Agent (SA) [redacted] telephone call from NY to HO, 2/9/83.

b6
b7C

Enclosed for New York is the original [redacted] which was obtained as evidence. The originals of all other evidence obtained by the Houston Division have previously been forwarded to the New York Division.

b6
b7C
b7D

New York requested that this [redacted] be provided to them, since they are proceeding with investigation and possible prosecution in which [redacted]

b6
b7C
b7D

No further investigation is being conducted at Houston.

Green to AC SA see Green sheets 602

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 2/20/01 BY SP5 Jc/maj
CORR # 01-081
196B-1774-96
SEARCHED ☒ INDEXED ☒
SERIALIZED ☒ FILED ☒

b6
b7C

- 2 - New York (Enc. 1)
- 1 - Houston
- MMW/bgp
- (3)

1*

Approved: [signature] Transmitted _____ (Number) _____ (Time) Per _____

Memorandum



To : ADIC, New York (196B-1774)(M-1)

Date 3/9/83

From *JS* SAC, Kansas City (196B-902)(WRA-SRA) (RUC)

Subject : MARC RICH,
dba MARC RICH & CO.
Et al
FBW (ENERGY RELATED)
OO: NY

Re Kansas City airtel to New York, 2/23/83.

Enclosed is subpoena for [redacted]
[redacted]

b3

*Subpoena given to
RUSA [redacted] 3/25/83*

b6
b7C

OK
2 - New York (Enc. 1)
1 - Kansas City
DSB:RA
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/20/01 BY SP5 JC/mj

b6
b7C

196B-1774-97

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 1 1983	
NEW YORK	

ga

Memorandum



To : ADIC, New York (196B-1774)(M-1)

Date 3/9/83

From : SAC, Kansas City (196B-902)(WRA-SRA) (RUC)

Subject : MARC RICH,
dba MARC RICH & CO.
Et al
FBW (ENERGY RELATED)
OO: NY

Re Kansas City airtel to New York, 2/23/83.

Enclosed is subpoena for [REDACTED]
[REDACTED]

b3

② - New York (Enc. 1)
1 - Kansas City
DSB:RA
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/28/ BY SP5 JC/mj

196B-1774-97

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 6 1983	
FBI-NEW YORK	

EOC

TITLE: MARC RICH
dba Marc Rich and Company;

April 8, 1983

[REDACTED]
FBW-ENERGY RELATED
(OO:NY)

b6
b7C

File: 196B-1774

Case Agent: [REDACTED]

Supervisor: [REDACTED]

- I. Date Investigation Began: 10/21/81
- II. Type of Investigation: GCI
- III. Date of FBIHQ/Departmental Approval: N/A
- IV. Date Investigative Authority Expires: N/A
- V. Basis of Investigation:

[REDACTED]
[REDACTED] provided information that [REDACTED]
[REDACTED]

b6
b7C
b7D

VI. Major Objectives:

- 1) Identify all participants in scheme that are both actively and passively involved.

[REDACTED]
b7D
b7E

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/20/01 BY SP5 JC/m43

196B-1774-98

SEARCHED	INDEXED
SERIALIZED <i>ff</i>	FILED <i>ff</i>
APR 11 1983	
FBI-NEW YORK	

VII. Prosecutive Opinion:

AUSA [REDACTED], SDNY, has been actively involved in investigative effort to date. He has [REDACTED]

b6
b7C
b3

VIII. Milestones Completed:

1) DOJ Tax Division approval for Grand Jury, 2/22/82.

2) Identification of passive participation [REDACTED]

3) Affidavits in support of [REDACTED]

4) Motion [REDACTED]

5) Continued [REDACTED]

6) Obtain [REDACTED]

[REDACTED] to date).

7) [REDACTED]

8) [REDACTED]

9) [REDACTED]

10) [REDACTED]

b6
b7C
b3

b6
b7C
b3
b7D
b7E

IX. Milestones anticipated:

1) [REDACTED]

2) Obtain [REDACTED]

Subject to results of appeal now in process. Still pending.

3) Complete review of [REDACTED]

4) Indictment Possible by August, 1983.

b6
b7C
b7D
b7E
b3

X. Unusual Investigative Techniques Employed/Anticipated:

[redacted] from a [redacted] to ensure

b3

XI. Manpower Anticipated:

b7E

XII. Accomplishments:

Motion to [redacted] for production of [redacted]
[redacted] was settled in favor of the U.S. Government.

b3

(Mount Clipping in Space Below)

THE NEW YORK TIMES

WEDNESDAY, MARCH 9, 1983

D7

Fox Gets \$26 Million Financing

SLM Partners Double Stake

By THOMAS C. HAYES

Special to The New York Times

LOS ANGELES, March 8 — SLM Inc., a movie-financing partnership, agreed today to invest at least \$26 million in five new feature films to be released this year by the 20th Century-Fox Film Corporation.

The transaction brings the group's investment in Fox's 1983 releases to more than \$50 million. It also emphasizes the growing importance of external financing for major studios, which are producing more feature films to meet rising demand from pay-television services.

Irving H. Levin, president and chief executive of SLM, said the partners were allowed to view Fox's completed films in early February before deciding which ones to back.

They selected three, including "Max Dugan Returns," a Neil Simon comedy; "Porky's II — The Night After," and "Without A Trace," which has taken in \$8.3 million at the box office in four weeks, according to Daily Variety. SLM added two others films not yet completed, "The Buddy System" and "Star Chamber," based on a Fox recommendation, he added.

In addition to Mr. Levin, the major partners in SLM Inc. include Samuel Schulman, chairman, a Beverly Hills investor; Angelo J. Drossos, a vice president for investments at Dean Peter Reynolds Inc., and Billy J. McCombs, a Texas industrialist.

Unlike many arrangements with outside financiers, "we start getting our money back right from the start," Mr. Levin said.

According to the contract, SLM is to receive one-third of the studio's rental revenues from each film until its share of the production and estimated distribution costs, plus interest, are covered, Mr. Levin said.

Fox is then to take 75 percent of continuing rental revenues until it recovers its standard distribution fee, which Mr. Levin said typically was 30 percent of total film rentals. At the same time, SLM will receive one-third of the other 25 percent of rental revenue; Fox gets the other two-thirds.

After Fox recovers its distribution fees, it will take two-thirds of continuing revenues; SLM gets the rest.

(Indicate page, name of newspaper, city and state.)

Date: 3/9/83
Edition: pg D7

Title: N.Y. Times

Character:
or

Classification:

Submitting Office:

196-1774-99

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/20/01 BY SP5 JC/mj

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 1 1983	
FBI-NEW YORK	

b6
b7c

16 FEB 1983

The Forbes Four Hundred

An inquiry into the holders of great wealth
in America, with notes on the sources of
that wealth, the careers of the people who
control it and its effect on their lives.

The Forbes Four Hundred

by Harold Seneker
with Jonathan Greenberg
and John Dorfman

AMERICANS ARE AMBIVALENT about wealth. They admire it and desire it, yet resent it and find it vaguely un-American. During the Age of the Moguls, roughly from the Civil War to the Great Depression, the very rich came out of the closet and visibly enjoyed their wealth. But now, by and large, they have gone underground with it. Drawing up this list of America's richest people was, therefore, a formidable task. A majority of the people on it would have preferred not to have been listed.

This is a compilation of the Big Rich—not of jetsetters or media celebrities, who do indeed celebrate their well-being. The Forbes Four Hundred are solidly rich, rich enough to make a difference

A family with \$10 million or so—not big wealth by today's standards—can readily live, and in fact many do live, as well as most of the country's centimillionaires. You can't tell a person's wealth by his lifestyle. So, it is not easy to find out exactly who the Big Rich are, let alone how much they have.

You don't need fabulous wealth to live very, very well these days. How many Rolls-Royces (\$115,000 each) or yachts (\$500,000 and up) do you really need or even *want*, after all? A year's worth of very fine dinners for two at gourmet restaurants costs about \$50,000—the income from \$400,000 in tax-exempt bonds, hardly great wealth. And your very own transatlantic jet seems superfluous when you can hop on the Concorde (\$1,800, one way, New York to Paris).

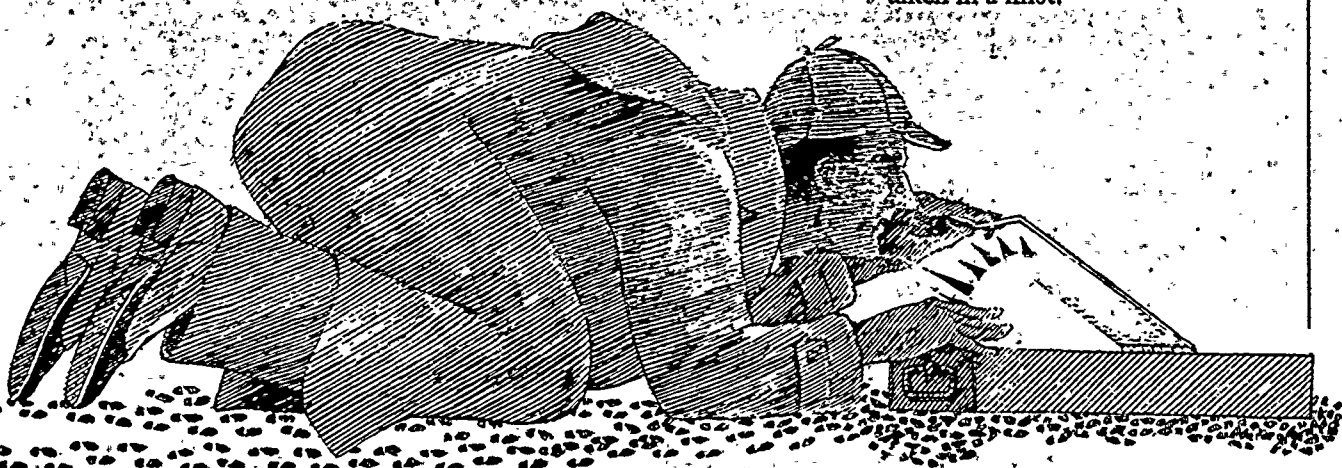
So what do the *really* rich do with their money? Some they give away: Philanthropy is "in" among the very wealthy. But most of it is reinvested, either in their existing businesses, or stocks or bonds, or in new ventures. The main thing they do, then, is create jobs and ever more of the goods and services needed to sustain the average man's lifestyle, all in the search for profit, or sense of achievement by their own standards, or sense

of family duty to the fortune. In a purely moral sense, then, conspicuous consumption may be "obscene," but great wealth is not.

Vast wealth, secretly envied where not openly admired, is still the alltime conscious or unconscious dream of many Americans—after immortality. And in the absence of knowledge, myths have naturally proliferated. Some are benign, like the hit movie, *Arthur*. But many are poisoned with political paranoia, or at least twisted for use by politicians hunting more tax dollars to spend. The accumulation of some 40 years of such malign myth-making has had consequences in the nation's laws and fiscal policy we are all still living with.

So FORBES is inaugurating The Forbes Four Hundred. In form, a periodic scorecard of who is really rich in this country—an intriguing enough inquiry anyway—but it will go beyond that: It will attempt to delve into the nature of wealth and the wealthy, into how they got that way as well as who they are, and into how they conduct their lives.

Of necessity, the list is tentative rather than authoritative: a well-informed estimate, not an audited report. But if the details are not precise, we believe the overall effect is. Great Wealth in America as it really is. An honest photograph, even if taken in a mist.



The Rules of the Chase

"If you know exactly how rich you are," observed the late John Paul Getty, "you're not really rich." Wealth, it turns out, is not a simple concept. Getty meant the fortunes of the Big Rich are normally concentrated in large businesses whose value cannot be exactly calculated unless they are actually sold. So wealth is difficult enough to guess-timate even with the cooperation of its owner or owners, and most of our subjects did *not* cooperate.

Nor is it by any means always clear exactly who *owns* a great fortune: It is often parked at least partly in the names of the immediate family or concealed in private investment companies or, more difficult, in trusts, where the separate elements of ownership (control of principal, receipt of income, power to name heirs, etc.) are deliberately spread among different people to accord with the inheritance tax laws.

To arrive at coherent estimates of wealth in all this welter, we adopted a number of rules, mostly based on common sense:

- Blocks of publicly traded stocks are priced at the market in mid-August for consistency.

- Privately held companies are valued according to estimated earnings, where estimable, based on multiples then prevailing for publicly traded companies in similar businesses.

- Lacking reasonable earnings estimates, we adopted rule-of-thumb conventions widely used within respective industries, particularly in evaluating the media: Newspapers, for instance, can be valued at \$500 and up per subscriber, or 10 to 15 times earnings, or 1.0 to 1.4 times revenues, in each case subtracting a generous allowance for probable liabilities. TV stations were evaluated for us by reputable media brokers.

- In some cases, we had to settle for estimates of book value, particularly among private oil producers, where we often did not venture beyond putting a fair estimate on their oil reserves. In one or two cases (e.g., J.R. Simplot) we were forced to work from estimates published by the general press; they are treated very conservatively, since they are often unreliable.

In fact, in every case we went out of our way to be ultraconservative; we wanted to be sure everyone on the 400 belongs on the 400.

Then came trusts. We had to proceed on almost a case-by-case basis, applying common sense. Most trusts are plainly set up to carry out a normal pattern of inheritance (to wives or husbands, or offspring) and exist mainly to minimize inheritance taxes. These trusts we generally attributed to the person who created the wealth, where still alive and in control, or else to the principal controlling family member where he is not.

We gave similar treatment to certain special arrangements which are aimed at keeping control of a valuable asset in the family (e.g., the Cargills, where, reportedly, company shares may only be sold or bequeathed to family members; the present holders are credited with full value, though their shares are not freely marketable).

On the other hand, spendthrift trusts, meant to keep control of a fortune *out* of the hands of beneficiaries, were not credited to the

beneficiaries. The estimated trust income was, while we usually looked for controlling family members when seeking to assign the principal.

Irrevocable charitable trusts were not counted in at all, even when, as in the case of the Pews, they serve to retain ultimate control over the family company, we decided such wealth is really working for charity now. Foundations, of course, were not counted either, though occasionally noted.

There was one last set of problems to deal with. Generally, we considered wealth in the name of a spouse or child as part of the still-active principal's wealth, especially when family ties are manifestly close and they all share interests in an ongoing business. Exceptions: where a fortune is so vast that another family member's share qualifies him or her for 400 status (as in An Wang and his wife, Lorraine); or where family and business ties are broken or at least noticeably frayed. So Joseph Meyerhoff is here as patriarch-in-charge while Henry Ford II is not. Ford is retired and his children are scattered, apparently maintaining their own inheritances, and are born of wives he has since divorced. (He himself had only \$80 million we could clearly identify, mainly depressed Ford stock and his 4% interest in California's Irvine Ranch.) Meyerhoff, on the other hand, still comes to the office, and his son Harvey, a big shareholder now, is in the business. One major exception is not as chauvinist as it looks: Mary Kay Cosmetics. The founder-mother Mary Kay Ash (formerly Rogers) is not listed, the president-son and lately larger shareholder Richard Rogers is: Both stoutly maintain that he is absolutely in charge of the whole show and has been for a long time. Far be it from us to come between a son and his mother.

Leslie Herbert Weaner

Retailer. Columbus, Ohio. 45. Single. Went to work 1963 in father's women's clothing store. Disagreed with policy: borrowed \$10,000 to start own specialty store (sports-wear). Now has 422-store chain, The Limited; grosses \$200/sq. ft. Acquired Lane Bryant, sleepy larger chain, for assets: \$2/sq. ft. leases in \$15 markets. His share in the Limited worth around \$100 million.

David M. Darrin

Automatic Switch Co. Livingston, N.J. 64. Married, 3 sons. Father David H. worked for company, bought it, moved it to NYC from Baltimore, died 1928. After his death, mother gave one-third to management; later, two-thirds to David M. Company went public 1970; Darrin now owns 39%, worth \$86 million by itself. With proceeds of stock sales, should have more than \$100 million.

Carmage Walls

Newspapers. Houston. 73. Divorced, remarried, 3 children by first marriage, 2 by second. Started as assistant bookkeeper Orlando (Fla.) *Sentinel* 1932, became business manager 1933. Bought by chain, worked his way up to head string of papers. Started own company 1952, became buyer, holder, reseller of small-town southern newspapers: "I've made 24 millionaires" selling newspapers to his appointed publishers and others. Now family and friends own 26, total circulation of 211,000. Semiretired. Estimated net worth with wife, children: above \$100 million.

Ernest W. Hahn

Shopping centers. San Diego, Calif. 63. Married, 3 children. Started as small general contractor after leaving Navy 1946. Began building shopping centers early 1950s. Built over 34 million sq. ft. in numerous states. Sold out to Trizec Corp. (Canadian) 1980. His share: \$90 million. Semiretired: "I thought it was time to work a three-day week." With other assets, estimated net worth at least \$100 million.

James L. Knight

Knight-Ridder newspapers. Miami. 73. Married, 2 children. Long in shadow of brother and family patriarch John (d. 1981). Co-inherited

father's 3 small newspapers 1933. Acquired *Miami Herald* 1937, first of many including *Philadelphia Inquirer* and *Detroit Free Press*. Ran business side (John ran editorial policy). Now best-managed, most-profitable chain in U.S.; his stock alone worth \$87 million. With other assets, estimated net worth: over \$100 million.

Gordon McLendon

Broadcasting. Dallas. 61. Divorced twice, 4 children. Became famous as "The Old Scotchman," radio persona of 1940s, early 1950s. Invested in radio, TV stations. Pioneered Top 40 format, all-news station. Sold out 1972-77 for \$100 million plus. Bought gold, silver, strategic metals, real estate. Started early, so probably still worth over \$100 million despite recent slide.

Patrick J. McGovern

Publishing. Nashua, N.H. 45. Divorced, remarried, 2 children. Worked on tiny computer magazine, saw need for computer market census. Started International Data Corp. 1964. Started newspaper 1967 as IDC "ad" business-getter: *Computerworld*, now largest specialty publication of its kind. Moving into venture capital. Revenues \$75 million, growth 38% a year, net 10% aftertax. Net worth: at least \$100 million.

Robert Edward Petersen

Publisher. Beverly Hills. 56. Married, 2 sons (deceased). Unemployed movie publicist 1947. Borrowed \$2,000, printed *Hot Rod* magazine,

hawked at race meets, published in garage, slept on cot in corner. Built into Petersen Publishing Co.: 16 monthlies (*Guns & Ammo*, *Motorcyclist*, etc.), books, other. Married former Miss Rheingold, bought mansion, hunting ranch, art. Estimated net worth: at least \$100 million. Both young sons killed in plane crash, 1975.

Marc Rich

Oil trader. NYC. 48. Married, 3 daughters. Workaholic who built Phibro Corp.'s vast oil-trading business almost from scratch, demanded his \$1.5 million bonus under compensation rules. Phibro refused. Went away mad, as Marc Rich & Co. now does \$10 billion to \$15 billion trading a year, mostly oil, with partners mainly hired away from Phibro. Uses "leverage to the nth degree." With business down, estimated net worth still at least \$100 million.

Jack Resnick

Burton Resnick

Father and son. Real estate. NYC. Jack: 75. Married, 4 children. Started as small builder in Bronx 53 years ago, moved to Manhattan 1950s, bought, held properties. Still runs company. Burton: 46. Married, 3 children. Chief operating officer Jack Resnick & Sons, Inc. Own over 4 million sq. ft. NYC commercial space, thousands of apartments NYC and Florida. Suing Teamsters for "racketeering." Equity easily exceeds \$350 million, but silent partners, principally Belfers (*which see*), have some. Estimated net worth: share at least \$200 million. Denied by them.

Peter Feinberg

Real estate. Palm Beach, Fla. 72. Married, 2 sons. Born Poland. Father's NYC wholesale produce business collapsed in Depression. Worked way through school, supported parents playing poker, shooting craps (with money backers), buying and selling used textbooks. Entered real estate 1936, reputation as "street smart." "I stopped gambling the minute I went into business." Has commercial real estate NYC, Florida, Denver, Atlanta; condos Florida. Turning business over to sons David (Denver), Michael (Miami). Estimated net worth: over \$100 million.



ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/29/91 BY SP5 JC/amy

b6
b7C

196-1774-100

SEARCHED	INDEXED
SERIALIZED	FILED
APR 1983	
602	

*Index
To The Forbes
Four Hundred*

	Page	Residence	Age	Worth (\$ mil)	Source
Ono, Yoko	137	New York City	49	150	Music royalties (inheritance)
P ackard, David	104	Los Altos Hills, Calif.	70	1,000	Hewlett-Packard Co.
Palevsky, Max	129	Los Angeles	58	200	Computers
Paley, William S.	138	New York City	80	140	Broadcasting
Park, Roy Hampton	140	Ithaca, N.Y.	71	130	Newspapers, broadcasting
Parker, Jack	129	New York City	67	200	Real estate
Parrish, Jesse J. Jr.	146	Titusville, Fla.	69	110	Citrus, cattle
Paulucci, Jeno F.	146	Duluth, Minn.	64	110	Food processing
Payson, Charles S.	142	Portland, Me.	83	120	Entrepreneur (inheritance)
Pearson, Edith du Pont	112	Greenville, Del.	70	300*	Du Pont Co. (inheritance)
Perot, H. Ross	111	Dallas	52	325	Computer services
Petersen, Robert Edward	153	Beverly Hills	56	100	Publishing
Petrie, Milton	118	New York City	80	225	Retailing
Pew Family	167	Philadelphia	—	200	Sun Co.
Phipps Family	167	Orig. Pittsburgh	—	1,200	Investments (inheritance)
Phipps, Howard Jr.	142	Westbury, N.Y.	48	120	Investments (inheritance)
Pictet, Marion MacMillan	142	Geneva, Switz.	49	116	Cargill, Inc.
Pitcairn Family	167	Philadelphia	—	400	Glass (inheritance)
Pope, Generoso Paul Jr.	140	South Palm Beach, Fla.	55	130	Publishing
Posner, Victor	123	Miami Beach	63	200	Financier
Pritzker, A. N.	111	Chicago	86	333*	Financier
Pritzker, Jay Arthur	111	Chicago	60	333*	Financier
Pritzker, Robert Alan	111	Chicago	56	333*	Financier
Pulitzer Family	167	St. Louis	—	400	Newspapers (inheritance)
Pulliam, Eugene S.	123	Indianapolis	68	200	Newspapers
R ains, Liliore Green	117	Beverly Hills	70+	200	Oil (inheritance)
Redstone, Sumner	160	Newton Center, Mass.	59	100	Drive-ins, investments
Reed, William Garrard Sr.	130	Seattle	74	170	Timber
Resnick, Burton	153	New York City	46	100*	Real estate
Resnick, Jack	153	New York City	75	100*	Real estate
Reynolds, Donald Worthington	129	Ft. Smith, Ark.; Las Vegas	75	200	Newspapers, media
Rich, Marc	153	New York City	48	100	Oil trader
Richards, Roy	148	Carrollton, Ga.	70	100	Cable manufacturer
Robertson, Wilhelmina Cullen	108	Houston	59	500*	Oil (inheritance)
Robins, E. Claiborne	137	Richmond, Va.	72	150*	A. H. Robins Co.
Rockefeller, David	105	NYC, Tarrytown, N.Y.	67	1,000	Oil (inher.), investments, real est
Rockefeller, Hope Aldrich	147	Woodstock, Vt.	44	100	Oil, real estate (inher.)
Rockefeller, John Davison IV	147	Charleston, W.Va.	45	100	Oil, real estate (inher.)
Rockefeller, Laurance Spelman	110	Tarrytown, N.Y.	72	450*	Oil, real estate (inher.)
Rockefeller, Rodman Clark	147	New York City	50	100	Oil, real estate (inher.)
Rockefeller, Steven Clark	147	Middlebury, Vt.	46	100	Oil, real estate (inher.)
Rockefeller, Winthrop Paul	110	Winrock Farms, Ark.	34	400	Oil, real estate (inher.)
Rogers, Richard Raymond	146	Dallas	39	110	Mary Kay Cosmetics
Rollins, O. Wayne	116	Atlanta	70	250	Entrepreneur
Root, Chapman S.	123	Ormond Beach, Fla.	57	200	Coca-Cola bottler
Rosenberg, Henry A. Jr.	136	Baltimore	52	133*	Oil, real estate (inher.)
Rosenberg, Ruth B.	136	Baltimore	83	133*	Oil, real estate (inher.)
Ross, Wilhelmina du Pont	140	Greenville, Del.	76	130	Du Pont Co. (inheritance)
Rudin, Jack	116	New York City	58	250*	Real estate
Rudin, Lewis	116	New York City	55	250*	Real estate

*Assuming equal shares in common fortune. †Family fortune individually allocated.

(Mount Clipping in Space Below)

(Indicate page, name of
newspaper, city and state.)

Date:

Edition:

Title:

Character:

or

Classification:

Submitting Office:

196^B-1774-103

SEARCHED	INDEXED
SERIALIZED <i>fr</i>	FILED <i>fr</i>
MAY 1983	
FBI-NEW YORK <i>602</i>	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/26/01 BY SP5 JC/mjs

FBI

TRANSMIT VIA:

☒ Teletype
☒ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 7/6/83

009

FM NEW YORK (196B-1774) (P) (M-1)

~~TO DIRECTOR (196B-2848) ROUTINE~~ 1556

BT

UNCLAS

ATTN: SA [REDACTED]

b6
b7C

MARC RICH, DBA MARC RICH AND COMPANY; ET AL; FBW - ENERGY
 RELATED (OO: NY).

RENYTELETYPE TO BUREAU, JANUARY 28, 1982; AND NYTELCALL
 TO BUREAU, JULY 6, 1983.

FOR INFO OF BUREAU, MEETING HAS BEEN SCHEDULED IN

[REDACTED] BETWEEN AUSA [REDACTED]

SDNY, DEPUTY ATTORNEY GENERAL [REDACTED]

[REDACTED] AND SPECIAL AGENT [REDACTED]

NYO. PURPOSE OF

MEETING IS TO DISCUSS [REDACTED]

[REDACTED] IN CAPTIONED MATTER. AUSA [REDACTED] REQUESTS THAT

SA [REDACTED] ATTEND DUE TO COMPLEXITY OF MATTER TO BE DISCUSSED.

THE ESSENCE OF THIS CASE REVOLVES AROUND THE EVASION OF
 TAX ON HUGE AMOUNTS OF DOMESTIC PROFIT (APPROXIMATELY 100

① - New York
 1 - Supv. M-1

GRL:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/23/01 BY SP5 JC/mms

b6
b7C
b7E

Approved [Signature]

Transmitted _____

(Number)

(Time)

Per _____

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 1983	
[REDACTED] 1602	

b6
b7C

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196B-1774

UNCLAS

MILLION) EARNED ON OIL PURCHASES AND SALES. THE PROFIT WAS GENERATED BY CHANGING OF OIL CERTIFICATIONS DURING 1980 AND 1981. THIS PROFIT WAS THEN MOVED TO FOREIGN COMPANIES CONTROLLED BY THE SUBJECTS THROUGH INTERCOMPANY TRANSACTIONS AND SHAM TRANSACTIONS WITH THIRD PARTY COMPANIES HOLDING PROFITS FOR THE SUBJECTS.

ADIC, NY CONCURS WITH NECESSITY OF TRAVEL. BUREAU APPROVAL REQUESTED FOR TRAVEL OF NY CASE AGENT TO [REDACTED]

b6
b7C

[REDACTED] WITH RETURN SAME DAY.

BT

Approved: _____ Transmitted: _____ Per: _____
(Number) (Time)

NYO 756 135 6133

RR HQ

DE NYO 249

R 171456Z JUL 83

FM NEW YORK (196B-1774) (P) (P-1)

TO DIRECTOR (196B-2348) ROUTINE

BT

UNCLAS

b6
b7C

ATTN: SA [REDACTED]

MARC RICH, DBA MARC RICH AND COMPANY; ET AL; FBW - ENERGY
RELATED (OO: NY).

RENYTELETYPE TO BUREAU, JANUARY 28, 1982; AND NYTELECALL
TO BUREAU, JULY 6, 1983.

FOR INFO OF BUREAU, MEETING HAS BEEN SCHEDULED IN

[REDACTED] BETWEEN AUSA [REDACTED]

SDNY, DEPUTY ATTORNEY GENERAL [REDACTED]

[REDACTED] AND SPECIAL AGENT [REDACTED] NYO. PURPOSE OF

MEETING IS TO [REDACTED]

[REDACTED] IN CAPTIONED MATTER. AUSA [REDACTED] REQUESTS THAT

SA [REDACTED] ATTEND DUE TO COMPLEXITY OF MATTER TO BE DISCUSSED.

THE ESSENCE OF THIS CASE REVOLVES AROUND THE EVASION OF
TAX ON HUGE AMOUNTS OF DOMESTIC PROFIT (APPROXIMATELY 100

b6
b7C
b7E

196^B-1774-104

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 8 1983	
FBI-NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mas

PAGE TWO

NY 196B-1774

UNCLAS

MILLIONS EARNED ON OIL PURCHASES AND SALES. THE PROFIT WAS GENERATED BY CHANGING OF OIL CERTIFICATIONS DURING 1980 AND 1981. THIS PROFIT WAS THEN MOVED TO FOREIGN COMPANIES CONTROLLED BY THE SUBJECTS THROUGH INTERCOMPANY TRANSACTIONS AND SHAM TRANSACTIONS WITH THIRD PARTY COMPANIES HOLDING PROFITS FOR THE SUBJECTS.

ADIC, NY CONCURS WITH NECESSITY OF TRAVEL. BUREAU APPROVAL REQUESTED FOR TRAVEL OF NY CASE AGENT TO [REDACTED]

b6
b7C

[REDACTED] WITH RETURN SAME DAY.

BT

July 7, 1983

TITLE: MARC RICH
dba Marc Rich and Company;
PINCUS GREEN:

b6
b7C

[REDACTED]
FBW-ENERGY RELATED
(OO:NY)

File: 196B-1774

Case Agent: [REDACTED]

Supervisor: [REDACTED]

- I. Date Investigation Began: 10/21/81
- II. Type of Investigation: GCI
- III. Date of FBIHQ/Departmental Approval: N/A
- IV. Date Investigative Authority Expires: N/A
- V. Basis of Investigation:

[REDACTED]
[REDACTED] provided information that [REDACTED]
[REDACTED]

b6
b7C
b7D

VI. Major Objectives:

- 1) Identify all participants in scheme that are both actively and passively involved.

[REDACTED]
b7D
b7E

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/29/01 BY SP5 JC/mj

① 196B-1774

196B-1774-105
JUL 11 1983

FBI-NEW YORK
TWB

VII. Prosecutive Opinion:

AUSA [redacted] SDNY, has been actively involved in investigative effort to date. He has [redacted]

b6
b7C
b3

VIII. Milestones Completed:

1) DOJ Tax Division approval for Grand Jury, 2/22/82.

2) Identification of passive participation. [redacted]

b6
b7C
b3

3) Affidavits in support of [redacted]

4) Motion to [redacted]

5) Continued [redacted]

6) Obtain [redacted]

[redacted] to date).

7) [redacted]

8) [redacted]

b6
b7C
b7D
b7E
b3

9) [redacted]

10) [redacted]

11) [redacted]

12) [redacted]

13) Complete [redacted] review of [redacted]

14) Enforcement of subpoena on [redacted]

IX. Milestones anticipated:

1) Obtain [redacted]

2) Obtain approval for [redacted]

3) [redacted]
[redacted]

4) Indictment possible by August, 1983.

X. Unusual Investigative Techniques Employed/Anticipated:

[redacted] from a [redacted] to ensure
[redacted]

b6
b7C
b3
b7D
b7E

XI. Manpower Anticipated:

b7E

XII. Accomplishments:

Motion to [redacted] for production of [redacted]
[redacted] was settled in favor of the U.S. Government.
[redacted]

b3

Court Cites Marc Rich & Co. for Contempt For Refusing to Aid Probe of Oil Trading

By STEVE MURSON and ROGER LOWENSTEIN
Staff Reporters of THE WALL STREET JOURNAL

NEW YORK—Marc Rich & Co. AG, one of the biggest commodities trading companies in the world, was cited for contempt of court for refusing to cooperate with a grand jury investigation of its crude-oil trading operations.

Judge Leonard B. Sand, a federal judge here, ordered the concern on June 29 to pay \$50,000 a day in penalties, but so far Marc Rich hasn't complied and hasn't paid the fine. The closely held company is appealing the contempt citation.

The investigation sheds some light on an often mysterious company that trades about \$10 billion of commodities a year. In 1981 Marc Rich was said by commodity traders to be the "mystery buyer" behind Malaysia's apparent efforts to corner the tin market and drive up prices. The concern also is said to have speculated in oil before the Iranian cutoff and to have supplied oil to South Africa.

However, little is known about the company or its principals.

Tax Evasion Probe

The grand jury is investigating whether Marc Rich evaded U.S. taxes. In affidavits and transcripts of oral arguments before the court, government attorneys say that the company structured resales to its U.S. subsidiary to direct more than \$20 million in 1980 U.S. income to its Swiss parent company, a device that would avoid U.S. taxes.

Government affidavits filed by the U.S. attorney in U.S. District Court suggest that the U.S. subsidiary paid inflated prices for oil to the Swiss parent, which resulted in losses in the U.S.

Marc Rich argued in court that the parent and its subsidiary engage in arm's-length transactions and they weren't part of a tax evasion scheme.

Last August, Judge Sand said in a legal opinion, "The government attempts to show that this picture of formal separateness masks a scheme of deliberate tax evasion in which international (the U.S. subsidiary) regularly directed income to AG (the Swiss parent)." The government had subpoenaed Marc Rich in April 1982 to appear before a federal grand jury in the southern district of New York to produce "various records," but Marc Rich didn't supply the requested records.

The trading company's efforts to yield the contempt citation are proceeding currently on the basis of the Swiss court injunction. A spokesman for Chase Manhattan Bank, one of Marc Rich's principal bankers, said Chase had received a grand jury subpoena asking for records relating to some of Marc Rich's trading activities. "We supplied the records," the spokesman said.

Crude-Oil Sales

As part of the government's case, an agent of the Federal Bureau of Investigation testified, in a July 1982 affidavit, that in 1980 the Swiss parent sold over \$345 million of crude oil to its U.S. subsidiary. That amount equaled more than 49% of the U.S. unit's total crude oil purchases, according to the testimony. Yet the U.S. subsidiary lost \$110 million on the resale of the oil in the U.S., the agent said.

The company is run by Marc Rich and Pincus Green, who previously traded oil and metals for Philbro Corp., now known as Philbro/Salomon Inc., before forming Marc Rich & Co. AG in 1974. Philbro is the world's largest commodities concern.

A receptionist in Marc Rich's Zug, Switzerland, office said that Mr. Rich and Mr. Green were at the company's headquarters there. She said they were in "meetings" and couldn't respond to telephone calls. Mr. Rich's secretary in New York declined to say whether Mr. Rich planned to return to the U.S. soon.

Even in a business where secrecy is the norm, Mr. Rich is said to be unusually tight-

lipped. He has granted no known interviews, and he has declined to respond to numerous previous calls from this newspaper.

Mr. Rich "is like granite; he hardly ever smiles," a former employee says.

Hard Workers

Mr. Rich and Mr. Green are intense, round-the-clock workers who exercise direct control over a large share of the company's immense trading operations, estimated at \$10 billion to \$15 billion in annual revenue.

In New York, Mr. Rich gets to the office at 7 a.m. and he's already talked to people all over the world, a rival oil trader says. However, he and Mr. Green are frequently on the go. "It's amazing how only two people can be seen at so many airports," another trader says.

Most of Marc Rich's business consists of buying and selling physical commodities, including crude oil, oil products, metals, ores and grains. Its margins usually are small, but the company occasionally speculates in special circumstances, such as shortages or gluts.

In a surprise move, Richco, a Marc Rich-controlled company, purchased half of Twentieth Century-Fox Film Corp. in 1981. Denver oil millionaire Marvin Davis, a longtime associate of Mr. Rich, purchased the other half.

Suit and Countersuit

The latest twist in the struggle over the trading company's records has been a suit by some of the officers of the company against the company. The company then countersued its top officers.

A lawyer for the company said Mr. Rich and Mr. Green sought a Swiss court order directing the parent to turn over documents. Instead the parent won a Swiss court order blocking the company from turning over the information.

Government lawyer Morris Weinberg, in a district court hearing, called the Swiss suits "ridiculous, contrived and concocted." He told Judge Sand that Marc Rich & Co. could withdraw its suit in Switzerland and "simply make the documents public." The only thing preventing the corporation from doing that is an injunction that it sought against itself.

The trading company's efforts to yield the contempt citation are proceeding currently on the basis of the Swiss court injunction.

A spokesman for Chase Manhattan Bank, one of Marc Rich's principal bankers, said Chase had received a grand jury subpoena asking for records relating to some of Marc Rich's trading activities. "We supplied the records," the spokesman said.

Career Beginnings

Mr. Rich, who is in his late 40s, began his career trading metals with Philipp Brothers, now the commodities arm of Philbro/Salomon in the early 1950s. Philipp Brothers in those days was mostly an organization of German-Jewish traders, and Ludwig Jesselson, the company's chief executive, quickly took Mr. Rich under his wing.

Philbro traders say Mr. Jesselson spoke of Mr. Rich as a son. Mr. Rich attended family bar mitzvahs and often was a dinner guest at the Jesselsons' Riverdale, N.Y., home.

When Mr. Rich was transferred to Madrid, he developed Philbro's oil trading business, and helped enable the company to make huge profits during the 1973 Arab oil embargo. However, Mr. Rich demanded a bigger bonus than Philbro was willing to give, and he quit.

Mr. Rich has lured away more than 100 of Philbro's traders, according to traders still at Philbro.

(Indicate page, name of newspaper, city and state.)

Marc Rich was cited for contempt of court for refusing to cooperate with a grand jury probe of its oil trading operations. The huge commodities trading firm, which was ordered by a federal judge to pay \$50,000 a day in penalties, is appealing the citation. (Story on Page A1)

THE WALL STREET JOURNAL
6 Friday, July 15, 1983

Date:
Edition:

Character:
or
Classification:
Submitting Office:

SEARCHED 6 INDEXED 74
SERIALIZED 7 FILED 71

JUL 15 1983

FBI-NEW YORK

FBI/DOJ

196B-1774-106

(Mount Clipping in Space Below)

Marc Rich Assets May Be Frozen

Sale of U.S. Unit Is Cited

By LEONARD SLOANE

A Federal judge in New York has given the United States Attorney's office permission to freeze some of the assets of Marc Rich & Company A.G., one of the world's biggest commodities traders, in order to collect \$1 million in fines for contempt of court.

The authorization, at a hearing Friday by Judge Leonard B. Sand, followed the disclosure in court that the Swiss company, based in Zug, Switzerland, had sold its American subsidiary, Marc Rich & Company International Ltd., to Clarendon A.G. Ltd., a new concern led by some of the principals of Marc Rich A.G.

The United States Attorney's Office called the American subsidiary Rich's "only real asset in the United States."

Restraining Notices

After the hearing, Morris Weinberg, the Assistant United States Attorney in charge of the case, served restraining notices on the Chase Manhattan Bank, the principal American bank of Rich, and others connected with the company.

A telephone call yesterday to the Rich office at 650 Third Avenue in New York was answered by the operator with the word "Clarendon." She said the only person who could provide any information was Peter Ryan, who was not further identified and who did not return two calls.

Robert C. Finkel and John W. Ritchie, lawyers for Rich, also did not return calls. A spokesman for Chase said it had received the restraining notice on Friday and added, "We intend to comply."

The order by Judge Sand was issued in an attempt to obtain the first \$1 million of a \$50,000-a-day fine that was imposed on Rich on June 29 for the company's refusal to turn over business records subpoenaed by a Federal grand jury. Rich was also held in contempt of court for failing to cooperate with the panel, which since last year has been investigating whether the corporation violated United States laws or evaded United States taxes.

Citation Appealed

The company has not paid any fines and has appealed the contempt citation. A hearing on the appeal is scheduled for Aug. 8.

The United States Attorney's office said it learned last Wednesday that the assets of the United States company were sold to Clarendon. Clarendon is owned by the major partners of Rich, with the exception of Marc Rich, the head, and Pincus Green, a close associate. Mr. Weinberg called this sale "an effort to fraudulently convey an asset for the purpose of avoiding the enforcement of either a judgment or in anticipation of a judgment."

The parent corporation trades approximately \$10 billion annually in oil, tin and other commodities. The United States Attorney's office charges that the Rich organization engaged in "an elaborate tax evasion scheme" in which the American subsidiary "diverted in 1980 alone a minimum of \$20 million in taxable income" to the Swiss parent to avoid United States taxes.

Rich Denial

Rich has asserted in court, however, that the dealings between the parent and the subsidiary were arm's length transactions and were not designed to evade taxes. It has also stated that since it is a Swiss company, it does not have to comply with the grand jury subpoena.

Mr. Rich, who is 49 years old, is very secretive about his operations and is not known to have ever granted an interview. He began his career about 30 years ago with Philipp Brothers, which is now the commodities unit of Phibro/Salomon Inc., where he made his reputation as an oil trader. He left in 1974 because of a salary dispute and started his own organization, taking with him some associates at Philipp.

In 1981 Mr. Rich, through one of his companies, bought 50 percent of the 20th Century Fox Film Corporation, along with Marvin Davis, the Denver oilman, who purchased the other half. That \$722 million acquisition converted Fox into a private company. A spokesman for Fox said yesterday that Mr. Rich "is not involved in any day-to-day decisions that go on here."

(Indicate page, name of newspaper, city and state.)

NEW YORK TIMES
BUSINESS SECTION

Date: 7-26-83
Edition:
Author:
Editor:
Title:

Character:
Classification:
Submitting Office:

☐ Being Investigated

SEARCHED INDEXED
SERIALIZED FILED

JUL 27 1983

FBI-NEW YORK

b6
b7c

(Mount Clipping in Space Below)

Marc Rich Asset Freeze Due

By LEONARD SLOANE

A Federal judge said yesterday that he would sign an order permitting the United States Attorney to freeze up to \$55 million in United States assets of Marc Rich & Company A.G.

The order, which Judge Leonard B. Sand said he would sign today in Federal District Court in Manhattan, would allow restraining notices to prohibit companies and individuals from paying funds that they owe to the Swiss-based international commodities trading concern.

The order is the latest attempt by Federal prosecutors to assure payment of fines levied against Marc Rich after it refused to turn subpoenaed documents over to a Federal grand jury investigating possible tax violations by Marc Rich. Rich says the transactions being investigated were not under the jurisdiction of United States laws.

Judge Sand imposed a \$50,000-a-day fine on the company on June 29 for its refusal to surrender the documents. Last Thursday, Rich paid \$1.35 million in accrued fines, but the Government claims that a maximum of \$27.5 million may be due if the company does not pay the fines by March 14, 1984, when the term of the grand jury expires.

The judge's latest order permits Federal prosecutors to require companies that owe funds to Rich to set aside twice the amount owed, or a total of \$55 million among all the companies served by the restraining notices.

Some restraining notices have already been issued under a previous order to a number of American companies, including the Chase Manhattan Bank and the holding company for the 20th Century-Fox Film Corporation, which is half-owned by a company with the same partners as March Rich A.G.

After Marc Rich paid the \$1.35 million in fines last week, it sent notices to its customers assuring them business could be conducted normally, despite the attempts to freeze its assets. Judge Sand's order prohibits Marc Rich from sending out any more of those notices.

The judge's statement yesterday was the latest development in a series of complex proceedings over more than a year involving Rich and its principal owner, Marc Rich, a secretive oil trader who created a multibillion business since leaving the corporation now known as Philbro-Salomon Inc. in 1974 over a pay dispute.

The restraining notices referred to by Judge Sand would also prohibit Rich and Clarendon Ltd. from "transferring or otherwise dissipating" any assets in the United States or any assets that may be transferred into the United States.

Clarendon, a newly formed company with European principals, acquired the American subsidiary of Rich, known as Mark Rich & Company International, late last month in a transaction that Assistant United States Attorney Morris Weinberg called "an effort to fraudulently convey an asset."

Peter Fleming, a lawyer for

Clarendon, said yesterday that his company was separate from Marc Rich A.G. and should not have been included in the judge's latest order. In response, Judge Sand said he would accept an application from Clarendon for an evidentiary hearing to prove its right to be exempted from the restraining notices.

During yesterday's brief, late-afternoon session at the Foley Square Courthouse in Manhattan, the possibility of an agreement among the parties was discussed, involving a bond by Rich to insure payment of the fine. And in a memorandum to the court, Bruce Fader, a lawyer for Rich, said the company "will not impose a restraint against a transfer of assets except in the ordinary course of its business for countervailing value."

However, Carolyn Simpson, an Assistant United States Attorney, said, "We must presume that Rich is taking business out of the country." She added that "we have had no indication that there will be any compliance" with Judge Sand's order.

Date: 8-2-83

Edition:

Title:

Character:

or

Classification:

Submitting Office:

b6
b7c

126A-1774-108

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 3 1983	
NEW YORK	

16

THE NEW YORK TIMES, THURSDAY, AUGUST 4, 1983

Marc Rich Negotiations

Government lawyers continued negotiations yesterday with Marc Rich & Company A.G., the Swiss-based commodities trading organization, to eliminate the need for a Federal court order freezing up to \$55 million of the company's United States assets.

Federal Judge Leonard B. Sand had said Monday that he would freeze the assets, but Carolyn Simpson, Assistant United States Attorney, said subsequently that the Government was trying to find a solution to the problem without a court order.

A grand jury investigating possible tax evasion by Marc Rich ordered the company last year to produce records. Marc Rich refused on the ground that, as a Swiss company, it was not subject to United States subpoena power. Judge Sand last month fined Marc Rich \$50,000 a day for contempt of court, and the company immediately sold its American subsidiary to Clarendon Ltd., a new company with European owners. Last Thursday the company paid \$1,350,000 in fines but Judge Sand, in an effort to force compliance, said he would freeze up to \$55 million of the company's and Clarendon's assets, or twice the maximum possible fine.

A lawyer for Marc Rich, who asked not to be identified, said the current negotiations were designed "to protect the interests of the United States and at the same time maintain viable business operations in this country" for Clarendon and Marc Rich.

b6
b7c

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY 695 JC/108

CHARGE ALPHA

"A"

196 B-1774-109

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 4 1983	
FBI-NEW YORK	

SATURDAY, AUGUST 6, 1983
Copyright © 1983 The New York Times

Business Day

The New York Times

U.S. to Get Marc Rich Documents

Accord Also Guards Assets

By ERIC N. BERG

Under intense Government pressure, Marc Rich & Company A.G., one of the world's largest commodity traders, agreed last night to turn over documents subpoenaed more than a year ago by a Federal grand jury investigating the company for tax evasion.

In a brief hearing late yesterday afternoon in Federal District Court in Manhattan, Morris Weinberg, an Assistant United States Attorney, said Government prosecutors and lawyers for Marc Rich A.G. had reached a preliminary agreement under which Marc Rich A.G., based in Zug, Switzerland, would turn over the requested documents within 14 days.

Until yesterday, Marc Rich A.G. had steadfastly refused to produce the documents. As a result, it was incurring fines of \$50,000 a day imposed by a Federal judge, and some of its United States assets held by banks and other companies had been frozen.

After the hearing, lawyers for both sides drove to the home of Judge Leonard B. Sand, who is presiding in this case, for his signature on the agreement. They would not give details of the agreement nor would they say whether it would end the fine that the judge had imposed after finding Marc Rich in contempt for not honoring the subpoena.

The grand jury had requested the records of transactions in an investigation into whether Marc Rich's American subsidiary evaded some \$20 million of taxes in 1980 by inflating the price it had paid the Swiss parent for oil.

Additionally, Government prosecutors were threatening to seize virtually all of the company's United States operations if it did not comply with their requests for papers.

At the same time, Mr. Weinberg said, the agreement left the Government "fully protected" against "the dissipation of assets." Government officials have been concerned that Marc Rich A.G., to avoid having all of its United States property frozen, would begin siphoning assets out of the country.

Their concern stemmed from the fact that on June 30, one day after Marc Rich A.G. was found in contempt of court for not complying with the subpoena, the company secretly sold its United States operation, Marc Rich & Company International Ltd., to Clarendon A.G., a new concern led by some of the principals of Marc Rich A.G.

"We believe we are very close to reaching an agreement under which the Government will be fully protected against the dissipation of assets during the next 14 days, during which Marc Rich A.G. has under-

Continued on Page 35

196A-1774

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC

110

12

Marc Rich in Accord On Giving U.S. Records

Continued From First Business Page
taken to produce the documents previously ordered by the court, Mr. Weinberg said after the afternoon court session.

Judge Sand said that when the documents in question are received, they would be turned over immediately to the grand jury.

A lawyer for Marc Rich A.G., the object of the hearing, was in the courtroom but did not speak at the hearing. However, Peter Flemming, a lawyer representing Clarendon, asked that once an agreement was reached and the documents in question turned over, that the Government move to lift the freeze on Marc Rich's remaining United States assets. The freeze has apparently affected Clarendon's business as well.

Marc Rich A.G., which trades more than 10 billion a year in commodities including oil, copper, tin and grains

through 40 offices in 30 countries, first was questioned by a grand jury in March 1982.

When the grand jury subpoenaed the documents in its investigation, Marc Rich A.G. balked, saying that as a Swiss-based company it was outside the jurisdiction of United States courts. In any case, the company said, the transactions in question were "at arm's length" between Marc Rich in the United States and the European operations and did not involve artificial pricing to reduce taxes.

Judge Sand found Marc Rich in contempt of court June 29 and fined the company \$50,000 a day. The next day, the United States unit of Marc Rich was secretly sold, and Government prosecutors contended that the sale was merely a ploy to avoid the enforcement of the judgment against the company.

On July 22, Judge Sand served restraining orders on the Chase Manhattan Bank, which is Marc Rich A.G.'s main lender, as well as on other companies doing business with Marc Rich, ordering each of them to freeze up to \$2.7 million in the Swiss concern's assets.

Part of Fine Paid

On July 28, Marc Rich paid \$1,350,000 in fines, but the company, through its lawyers, continued to refuse to turn over the documents.

Shortly after, Government prosecutors asked to increase the amount of Marc Rich's United States assets frozen to \$55 million. Judge Sand had planned to sign such an order last Tuesday, but instead let the deadline pass, permitting the two sides to negotiate and reach agreement.

Neither of Marc Rich A.G.'s owners, 48-year-old Marc Rich and his longtime friend and business associate, Pincus Green, have attended the court proceedings. Although the company has refused to discuss their whereabouts and they have not returned reporters' telephone calls, sources said that Mr. Rich and Mr. Green, who had been living in New York until recently, had left the United States and are temporarily in Switzerland.

MONDAY, AUGUST 8, 1983

Copyright © 1983 The New York Times

Business Daily

The New York Times

Behind the Marc Rich Agreement

Officials Cite Traders' Fears

By ERIC N. BERG

Marc Rich & Company A.G., one of the world's largest commodity traders, agreed to hand over documents subpoenaed more than a year ago by a Federal grand jury because of rising fears among the firm's customers and suppliers that the Government was preparing to seize the company's United States operations, executives familiar with the case said yesterday.

Marc Rich still refuses to discuss the accord or anything about itself. However, the executives, now heading a firm that once was a Marc Rich subsidiary, took it upon themselves to tell the story.

To hear the executives tell it, their firm, Clarendon Ltd., no longer has any ties with Marc Rich A.G.

Three-Hour Interview

But in an interview yesterday, Peter F. Ryan, Clarendon's chief financial officer, and Willy R. Strothotte, the company's president and chief operating officer, spent three hours explaining why Marc Rich bowed to the Government's pressure in agreements signed Friday.

According to the Clarendon executives, some Marc Rich suppliers were concerned that they might not get paid if the assets of the Swiss-based commodities trader were frozen. Marc Rich, cognizant of that pressure, decided to give the documents to the Government rather than risk further damage to the firm, the Clarendon executives said.

While Marc Rich did not lose business because of the publicity, the executives said, the events had caused both buyers and suppliers of metals traded by the company to "back away" from Marc Rich and "proceed with caution." As a result, they said, Marc Rich decided to end its year-long struggle to resist the request for documents.

"They have now concluded that it is in their interest, from a financial and reputation point of view, to comply," said Mr. Ryan.

Mr. Strothotte, formerly the head of Marc Rich's metals and minerals unit, said, "They have decided to be pragmatic rather than dogmatic."

It was not immediately clear why Clarendon chose to speak on Marc Rich's behalf. But Mr. Ryan said he

196A-1774
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCM/mao

Behind Marc Rich Agreement

Continued From First Business Page spoke yesterday by telephone with Marc Rich himself, who until recently has refused to talk with virtually anyone about the case. According to Mr. Ryan, the reclusive Mr. Rich authorized him to explain why Marc Rich decided to give in. The Clarendon executives said that by discussing the agreements reached Friday it might repair damage to their firm's image.

Grand Jury Probe

A Federal grand jury for a year has been investigating whether Marc Rich, in a pricing scheme, inflated the price of the oil that its American subsidiary paid to the Swiss parent, thus evading about \$20 million in taxes. The grand jury had subpoenaed from the Swiss company records of some of the questioned transactions.

Marc Rich claimed that the transactions were at "arm's length," and that because it is a Swiss company the transactions were not under the jurisdiction of United States laws. In addition, a Swiss court has ruled that Marc Rich would violate Swiss secrecy laws if it turned over the documents to the United States prosecutors.

One agreement reached Friday after a week of intense negotiations calls for Marc Rich to produce the subpoenaed documents by Aug. 19. Not until the documents are in prosecutors' hands will a contempt charge and a \$50,000-a-day fine ordered on June 29 by Federal District Judge Leonard B. Sand be lifted.

So far, Marc Rich has paid

\$1,350,000 of roughly \$2 million in fines accrued, but even if it paid its overdue fine quickly, the agreement calls for the Government to keep the fines already paid.

Freeze to Be Lifted

In return for the concessions it has received from Marc Rich, the Government has agreed to lift a freeze imposed June 30 on some of Marc Rich's domestic assets. These include bank deposits, including money held for Marc Rich at the Chase Manhattan Bank, as well as money owed to the firm by various commodity traders. Although Marc Rich is best known for its activities as an oil trader, it also has interests in aluminum, bauxite, copper, lead and zinc.

A separate agreement has been reached between the Government and Clarendon, which was formed to buy Marc Rich & Company, International Ltd., the American subsidiary of Marc Rich & Company A.G. Although Clarendon says it is entirely separate from Marc Rich A.G., the Government disagrees, and had threatened to seize Clarendon's assets, too. Clarendon, a trader with interests in virtually all the same commodities as Marc Rich A.G., thus has become involved in the litigation.

In the second agreement, Clarendon has agreed to pay any unpaid Marc Rich fines if Clarendon does business with Marc Rich before Aug. 19. It also pledged its oil properties in the United States as collateral, subject to seizure by the Government should Marc Rich not pay its fines.

In return, the Government has agreed not to freeze any assets of

Clarendon if Marc Rich pays the fines.

Mr. Ryan, Clarendon's chief financial officer, said Clarendon had agreed to guarantee Marc Rich's fine because, despite the fact that the two companies claim to have no connection with each other, it was felt that Clarendon could help its own name by aiding Marc Rich.

"Since the Government still thinks we are Marc Rich A.G., the only way to get an agreement was to say, 'We're not A.G., but we'll guarantee A.G.'s payment to get an agreement," Mr. Ryan said.

The connection, if any, between Marc Rich A.G. and Clarendon continues to be of interest to Federal prosecutors, who all along have claimed that the sale of the United States business was a sham aimed at preventing the Government from seizing Marc Rich's assets. Morris Weinberg, for example, the Assistant United States Attorney handling the case, has called the sale "an effort to fraudulently convey an asset for the purpose of avoiding the enforcement of either a judgment or in anticipation of a judgment."

In yesterday's interview, the Clarendon executives revealed that Clarendon's new owner, Alexander R. Hackel, had formerly served as managing director of Marc Rich.

The restraining orders and freeze of assets have been against Marc Rich A.G. and never against Clarendon, said Peter Fleming, Jr., a Clarendon attorney who was at the interview. This has been the debilitating confusion.

Lengthy Negotiations

According to Mr. Fleming and other attorneys close to the case, negotiations to reach both agreements began Monday evening and continued, sometimes late into the night, every day until Friday, when the final accords were signed at the Manhattan apartment of Judge Sand.

The negotiations pitted attorneys for Clarendon and Marc Rich against Mr. Weinberg and Carol Simpson, another Assistant United States Attorney. Negotiations to reach the agreements were at times held both separately and together, sources said.

Throughout, however, the owners of Marc Rich A.G., Pincus Green and Mr. Rich, have remained conspicuously absent. Both Mr. Rich, who before starting his firm was a metals trader at what is now the Wall Street firm of Phibro-Salomon Inc., and Mr. Green, a longtime friend and business associate of Mr. Rich, have reportedly left for Switzerland, where they maintain homes. Mr. Ryan and Mr. Strothotte said they did know when Mr. Rich or Mr. Green would return to the United States.

What is clear, however, based on yesterday's interview, is that in the days leading to the accords, both Clarendon and Marc Rich began to suffer serious operational difficulties

as customers and suppliers of both firms became skittish over the possibility of a Government seizure of assets.

Mr. Strothotte said, "It has taken a lot of assuring by our people that the reports of Clarendon's being closed down were not true and that Clarendon's assets were not impaired."

No Plan to Combine Firms

Both Mr. Strothotte and Mr. Ryan insisted that, despite the Government's claim to the contrary, Clarendon and Marc Rich remain separate organizations, and that there was no plan to return Clarendon to the control of Mr. Rich or Mr. Green. Clarendon was sold, the executives said, because of a feeling that by separating Clarendon from Marc Rich, Clarendon could shield itself from negative publicity arising out of the Government's tax investigation of Marc Rich.

The Marc Rich name had become somewhat of a liability, Mr. Strothotte said. "It had become a commercial necessity to make a dissociation."

As a result, according to the executives, Mr. Rich and Mr. Green agreed to sell their interest in what is now Clarendon to Alexander R. Hackel, who had been managing director of Marc Rich. Mr. Hackel, a German citizen living in Zug, Switzerland, has now become managing director of Clarendon, which is based in Manhattan at 650 Fifth Avenue.

Terms of the sale have not been released. But according to the Clarendon executives, Mr. Hackel will pay the full net worth of Clarendon once an audit is completed by Deloitte, Haskins & Sells, the public accountants.

THE WALL STREET JOURNAL.

© 1983 Dow Jones & Company, Inc. All Rights Reserved.

EASTERN EDITION

FRIDAY, AUGUST 5, 1983

PRINCETON, NEW JERSEY

Out of the Shadows

Big Commodities Firm Is Suddenly Propelled Into Public Spotlight

Court Fines Marc Rich & Co.
For Withholding Papers;
Huge Profits in Oil Deals

Did It Really Sell U.S. Unit?

By STEVE MUFSON and ROGER LOWENSTEIN
Staff Reporters of THE WALL STREET JOURNAL

Though little known, Marc Rich & Co. AG ranks as one of the most powerful companies in the world.

Operating through an international network of traders, the Swiss-based Marc Rich sells more oil than Kuwait, more copper than Kennecott and enough tin to put a can in every kitchen in America. With annual revenue exceeding \$10 billion, it is one of the few companies that can and does sway markets. During the oil panic of 1979, it helped bid up petroleum prices, and in 1981 it teamed up with Malaysia and doubled tin prices despite a depressed world market. It trades commodities with Iranian mullahs and Angolan Marxists and, on occasion, sells arms to Third World countries.

For years, it carried on all this wheeling and dealing in secrecy. Even when it purchased a half-ownership of 20th Century-Fox Film Corp., the public didn't know the identity of the "mystery buyer" for months.

But now, the big trading house has stumbled on some unwanted publicity, and its penchant for secrecy is threatening the survival of its huge—and crucial—U.S. subsidiary. The



Marc Rich

U.S. government has argued in federal district court in New York that the company's U.S. unit paid its Swiss parent inflated prices for oil, with the effect of siphoning \$20 million in 1980 U.S. income out of the country and helping set up a "massive tax-evasion scheme."

Thus far, the government has relied on records of the U.S. unit and on information gathered by a Federal Bureau of Investigation agent, who apparently interviewed Marc Rich employees. In April 1982, the U.S. subpoenaed from the Swiss parent documents that it thinks would buttress its case—and, incidentally, would make public a great deal of information about the company.

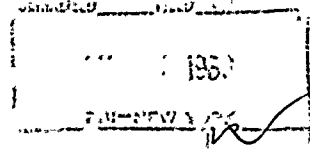
However, Marc Rich balked at turning over such records. It argues that although its two arms have the same boards and ownership, they operate independently and trade only at arms' length—that is, only when the transactions suit the business needs of each and not as part of any scheme to avoid taxes. Marc Rich's attorneys also contend that the parent company, as a Swiss corporation wholly separate from its U.S. unit, is exempt from U.S. subpoenas.

Heavy Fine

Because of its refusal to give the documents to a grand jury, Marc Rich has been in contempt of court since June 29 and sub-

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY 35-JC/mto

196A-1774-112



to avoid taxes. Marc Rich's attorneys also contend that the parent company, as a Swiss corporation wholly separate from its U.S. unit, is exempt from U.S. subpoenas.

Heavy Fine

Because of its refusal to give the documents to a grand jury, Marc Rich has been in contempt of court since June 29 and subject to a \$50,000-a-day fine while it appeals a federal judge's refusal to vacate the contempt order. Thus far, it has paid \$1,350,000 in fines. In addition, an assistant U.S. attorney, angered by the company's stand, has frozen Marc Rich assets held by a score of American banks and customers.

And at least one federal grand jury and the Energy Department are investigating whether the company violated federal oil-price controls during the 1970s through a complex series of trades that doubled or tripled prices to oil consumers. The trades are estimated to have involved up to 30,000 barrels a day over a two- to three-year period.

With the legal battles escalating, the two men behind the company have left their homes in New York, apparently to ride out the storm in Switzerland.

The two—Marc Rich, an intense, urbane-looking 48-year-old, and Pincus Green, his longtime sidekick—differ markedly in style. Mr. Rich lived in an expensive Park Avenue apartment building, Mr. Green in a modest white stucco house in the Flatbush section of Brooklyn. Mr. Rich, the more worldly of the two, was born in Belgium, but his family fled Europe during World War II. Shortly after the war, he was naturalized as a U.S. citizen. In 1952, he graduated from Rhodes School, a private institution in Manhattan, with a 75% average. He then studied marketing at New York University but didn't graduate.

Close Relationship

At the same time, Mr. Rich went to work for Philipp Brothers, then a clannish group of mostly German-Jewish metals traders and now known as Phibro-Salomon Inc., the world's largest commodities trading firm. Like other Phibro traders, he was a frequent dinner guest at the Riverdale, N.Y., home of Ludwig Jesselson, then the firm's operating chief. "Even then, he was different from the others," a former Phibro trader says. "He always brought the most fantastic gifts—a Polaroid camera or a crystal bowl." Mr. Jesselson spoke of him as a son. He sent him to Bolivia and then put him in charge of Phibro's Madrid office.

In the early 1970s, as oil-producing nations seized their oil fields from big oil companies, Mr. Jesselson saw an opportunity for a middleman in the oil business. Mr. Rich and Mr. Green parlayed contacts with Iranian chrome-ore traders into access to Iranian crude and, almost overnight, helped Phibro become the world's largest oil trader.

During the 1973 Arab oil embargo, Phibro chalked up tremendous profits. Mr. Rich, by then a contender to succeed Mr. Jesselson.

Please Turn to Page 12, Column 1

Out of the Shadows: Marc Rich & Co., a Big Trader In Commodities, Is Pushed Into the Public Spotlight

Continued From First Page

demanded a seven-figure bonus. When he didn't get it, Mr. Rich, along with Mr. Green, went to Switzerland to confront Mr. Jesselson, who was on vacation skiing. They told Mr. Jesselson they were quitting.

Since then, Mr. Rich has been obsessed with overtaking his former firm. His Marc Rich & Co. hired away dozens of former Phibro traders, and even a metals trader's secretary. "They hired people for what they knew about Phibro," a Phibro trader contends.

Retorts a top Marc Rich executive: "Anyone who thinks we hired people to learn what went on inside a competitor is crazy. We hired people for their expertise, and Phibro is an excellent school. Phibro just couldn't admit that some of its people might think we're a better firm."

In Tokyo, according to a Phibro official, Phibro traders found a Marc Rich mole in their office—with the help of their own double agent, a Marc Rich secretary who was dating a Phibro trader in Buenos Aires. Phibro officials say they caught a Marc Rich employee paying for Phibro telexes. "They were beating our bids for metals by a fraction on every one," a Phibro trader says. "They knew our bids before we did."

Neither Mr. Rich nor his attorneys would comment for this article, and Mr. Rich hasn't returned dozens of telephone calls from this newspaper over the past two years.

Mr. Jesselson says he prefers not to talk about Mr. Rich, except to say, "He disappointed me; not for leaving—for how he carried on afterwards."

However, Mr. Rich has carried on the meticulous, old-style trading epitomized by Mr. Jesselson. "If a deal won't work one way, he'll come up with another approach," an oil-company executive says. Adds a former Marc Rich employee: "In the beginning, he got involved in every deal." Mr. Rich still reads the telexes arriving on traders' desks from around the world, and traders who displease him learn about it quickly. A former employee recalls, Mr. Rich's acerbic comment on a zinc sale that he considered too cheap: "Anyone can sell a dollar for 99 cents."

Mr. Rich watches seemingly insignificant details. "He doesn't like anyone eating in the office or putting their own pictures on the wall," a former employee says. "I once saw him explode because a trader put his feet on the desk. He said, 'Would you do that to your own furniture?' He went nearly berserk."

Charming to Customers

But Mr. Rich can charm customers. Fluent in several languages, he often entertains clients at his occasional weekend home in Lido Beach, Long Island. A former employee recalls a client being driven there in a limousine, met by a butler, stuffed with flowers and sent back to New York. "As

soon as he drove off, another limousine drove up," the ex-employee says.

The savvy Mr. Rich got his company off to a fast start. Two years after he began it with \$2 million in seed money in 1974, it was worth \$50 million, according to a former financial officer. The former aide estimates that its net worth now exceeds \$1 billion.

Based in Zug, Switzerland, even though its two principals until recently operated out of New York, the 400-man Marc Rich & Co. maintains 40 offices in 30 countries and agents elsewhere. It buys commodities such as oil, copper, tin, zinc, aluminum, ores, sulfur, sugar, rice and grains from producing nations and sells them to consuming countries. It takes title to commodities in port and resells them as quickly as possible, often on board ship. But in the huge U.S. market, Marc Rich frequently takes goods into inventory, renting warehouse space—and in effect runs a wholesale distribution network selling oil to refineries and metals to foundries.

A Coup in Oil

Oil trading has generated its big profits. Just before the second surge in oil prices in 1979, Mr. Rich lined up supply contracts, and throughout the tight oil markets of 1979 and 1980, the firm bought oil at producing nations' official prices while many other companies paid much more. For instance, it bought 200,000 to 300,000 barrels a day of Nigerian oil and then resold them on the spot market at premiums running as high as \$14 a barrel. It also had a highly profitable contract with the Islamic Republic of Iran for about 200,000 barrels a day.

When Iran cut off oil supplies to major Western companies, Atlantic Richfield Co. was desperate. "We had to scramble. We lost 200,000 barrels a day overnight," says Martin Volandt, Arco's senior vice president for crude supply. Arco tried to buy Nigerian oil, he recalls, "but we were unsuccessful." Marc Rich had a contract, however, and sold Nigerian oil to Arco at a premium. "It had an entree there that we didn't have," Mr. Volandt says.

Marc Rich also had other entrees—much to the dismay of major oil companies, which preferred direct purchases to bargaining with the trading firm. When Exxon Corp. wanted access to Angola's 60,000-barrel-a-day share of production from the nation's fields, the company asked to meet with marketing agents of the Marxist African regime. Exxon was surprised and disappointed when Angola's representative appeared: It was "Pinky" Green from Marc Rich.

Dispute With Ecuador

For a while, Ecuador stopped dealing with Marc Rich after the company didn't pay for a disputed oil cargo worth roughly \$10 million. But in 1979, when oil became scarce, Marc Rich paid the money and resumed buying oil in Ecuador. It also began supplying the country with weapons, acting as an agent for manufacturers, according to a former Marc Rich trader. "The situation became very awkward for us" in 1981, a for-

mer trader says, "because we were also buying oil from Peru, and the two countries were fighting" in a border clash.

Marc Rich also showed its power, and daring in the tin market in 1981: according to Malaysian tin traders and Asian government officials. As tin production rose in the late 1970s, the U.S. price tumbled some 25%, from \$3.65 a pound to about \$4.41 in March 1980 and February 1981. Because tin is used primarily for cans and for solder in the construction industry and because the economic outlook was gloomy, tin experts expected prices to continue sagging.

At that dismal point, Marc Rich agreed to represent Malaysia's state-controlled tin company, Malaysian Mining Corp., in foreign markets. In mid-1981, with tin prices still dropping, David Zaldner, a Marc Rich trader, met with Malaysia Mining's top executive and the country's finance minister and prime minister to discuss a plan to buy tin in the market, stockpile it and push up prices, traders say.

Eager Listener

Malaysia, the world's largest tin producer, listened eagerly. "The government was in trouble over low tin prices, and wasn't getting cooperation from consuming countries," one trader says.

The buying operation, begun in mid-1981, rolled world tin markets. Prices soared from a low of \$4.33 a pound to more than \$7. Consumer and producer countries met in Geneva, while the Malaysian government coyly refused to discuss its role. Prices spiraled upwards through January 1982, but then the recession deepened and the U.S. government stepped up sales of tin from its stockpiles. At the end of February, prices collapsed: they fell 22% in one two-week period alone. The big losers were Marc Rich and, especially, Malaysia. They were stuck with tons of unwanted tin for which they had paid hundreds of millions of dollars at "peak" prices. In the firm's current battle with the U.S. government, Mr. Rich might well be able to run the company from Switzerland. The firm recently sold its U.S. subsidiary to a group of its own partners, excluding Mr. Rich and Mr. Green. The new owners, all foreign citizens, renamed the unit Clarendon Ltd. and told customers they would continue normal business. But it is widely suspected in commodities circles that once the heat from the government is off, Marc Rich & Co. will reemerge with a controlling interest in Clarendon. But a Marc Rich executive in Europe heatedly denies that it will regain any such controlling interest.

Judge's Doubts

However, the federal judge in the case in New York, Leonard B. Sand, says the sale might not be bona fide because it "has all the appearance of being a ploy" to put Marc Rich's assets out of U.S. reach. Judge Sand was irked because he wasn't told about the sale until two weeks afterward.

Meanwhile, the government concedes that it doesn't know where the assets of Marc Rich or Clarendon are and that even if it did, the fines aren't big enough to materially sap Marc Rich's financial strength. "For him, \$50,000 a day is Saturday night boogie money," one trader says. Adds a former financial officer at the firm: "The company is enormously profitable. Theoretically, it could lose \$30 million to \$40 million and it wouldn't be jeopardized." However, the strategy of Morris Weinberg, an assistant U.S. attorney, could severely cripple and ultimately close the company's U.S. business. As a guarantee of payment of future fines, Mr. Weinberg has won permission from Judge Sand to order Chase Manhattan, Marine Midland, Bankers Trust and a dozen other banks to freeze money that they are holding for Marc Rich or Clarendon. Funds also have been frozen at many of Rich's prime customers, such as Amerasia Hess Corp., Atlantic Richfield and Standard Oil Co. (Ohio); and Mr. Weinberg says he will ask the court to raise the daily fine "significantly."

Business Barrier

"This had put a damper on our business with Rich," says an official of a major U.S. oil company. "It's pretty tough to do business with a guy if the government goes after all the money." Many former customers, such as the copper rod plant of Westinghouse Electric Corp. in Abingdon, Va., say they now need prior clearance from their own attorneys to do business with Marc Rich.

Chemical Bank cut off the trading firm's credit about six months ago because Marc Rich didn't tell it enough about the investigations. Chase Manhattan, Marc Rich's lead bank, "is getting a lot of nervous phone calls" from Marc Rich customers, a Chase official says.

Although Marc Rich's overseas operations may be unaffected, New York is a vital center for international commodities traders and brings in several billion dollars of the firm's revenues. "There isn't any way it could continue at the same volume or level of profitability without its U.S. operation," a former Marc Rich trader believes.

Marc Rich Pays Fine, Drops Suit

By ERIC N. BERG

Marc Rich & Company A.G., the big commodity-trading concern under investigation for possible tax evasion, paid a fine of \$1.25 million yesterday. The fine was part of an agreement reached Friday with Government investigators to resolve a year-long fight over documents subpoenaed by a Federal grand jury.

Marc Rich also dropped a lawsuit it had filed to quash a contempt charge against it.

At the same time, the company, which is based in Zug, Switzerland, promised to stop invoking Swiss secrecy laws as a basis for not producing documents the grand jury has been seeking.

The jury, which first requested Marc Rich documents in March 1982, is investigating reports that Marc Rich used an illegal pricing scheme to inflate the price of the oil that its American subsidiary purchased from the Swiss parent, thus reducing the subsidiary's income and United States income taxes. The documents sought relate to the oil transactions.

\$2.6 Million Paid

The \$1.25 million fine that Marc Rich paid yesterday, the result of a June 29 contempt citation that carried a \$50,000 a day fine, brings the company's total payments to date to \$2.6 million. If the company produces the requested documents by Aug. 19,

Continued on Page D9

THE NEW YORK TIMES, TUESDAY, AUGUST 9, 1983

Marc Rich Pays Fine, Drops Suit

Continued From First Business Page
as agreed Friday, it will receive a partial refund.

But if the Aug. 19 deadline passes and Marc Rich has not turned over the papers in question, the Government said it will seize oil and gas properties worth about \$55 million that Marc Rich pledged as collateral.

"The agreement fully secures the Government if the papers are not produced," said Morris Weinberg Jr., the Assistant United States Attorney handling the case. "We now have \$55 million in security to execute against without litigation if the court order is further violated."

At a news conference in Manhattan yesterday, Mr. Weinberg was joined by Rudolph W. Giuliani, the United States Attorney, who called the pact with Marc Rich a "one-sided agreement" in which the Government won virtually all battles.

Subsidiaries' Records

Under the agreement, Marc Rich has agreed to relinquish not only the original documents requested of its Swiss headquarters, but also papers on file at three subsidiaries—Rescor Inc., Highams Consultants S.A. and the Liquin Resources Corporation. All three concerns, which are based in Panama, have been asked to turn over papers relating to their oil-trading activities in 1979, 1980 and 1981.

In return for Marc Rich's concessions, the Government has agreed to lift restraining orders on roughly 30 of Marc Rich's business partners, including banks and other commodity traders. The restraining orders, imposed July 22, reportedly caused Marc Rich to suffer a severe drop in business that forced the company to capitulate to prosecutors' requests.

SEARCHED INDEXED
SERIALIZED FILED

196A-1774-113

AUG 11 1983

FBI-NEW YORK

196A-1774

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC-MAD

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 8/8/83

FM NEW YORK (196B-1774) (P) (M-1)

TO ~~DIRECTOR (196B-2848) ROUTINE~~ 0118

BT

UNCLAS

b6
b7C

ATTN: SA [REDACTED]

MARC RICH, DBA MARC RICH AND COMPANY; ET AL; FBW - ENERGY RELATED.
(OO: NY).

RENYTEL TO BUREAU, JULY 6, 1983.

CAPTIONED NY CASE FILE OPENED OCTOBER, 1981. ORIGINAL ALLEGATION INVOLVED MOVEMENT OVERSEAS OF U.S. INCOME DERIVED FROM "CERTIFICATION TRADING" IN CONTROLLED OIL DURING YEARS 1980 AND 1981 BY MARC RICH AND PINCUS GREEN, OWNERS OF NUMEROUS U.S. AND FOREIGN CORPORATIONS AND OTHER U.S. COMPANIES. BASIS OF INVESTIGATION WAS [REDACTED]

b6
b7C
b7D

1 - NEW YORK
1 - SUPV. M-1

GJL:mms
(2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

196A-1774-114

SEARCHED INDEXED
SERIALIZED FILED
AUG 9 1983

b6
b7C

Approved: 2/28

Transmitted

(Number)

(Time)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196B-1774

UNCLAS

[REDACTED]
 CONTINUED INVESTIGATION THROUGH GRAND JURY (OVER [REDACTED])
 SUBPOENAED) UNCOVERED ANOTHER [REDACTED]

[REDACTED]
 [REDACTED] ATTEMPTS TO ELICIT COOPERATION
 OF [REDACTED] NEGATIVE. [REDACTED]
 OF INVESTIGATION AND PRESENTLY EMPLOYED [REDACTED]

ADDITIONALLY, CERTAIN OTHER [REDACTED]

[REDACTED] ARE IN QUESTION

(APPROXIMATELY [REDACTED] THE TOTAL EVADED [REDACTED])

LAST ISSUE REMAINING INVOLVES [REDACTED]

[REDACTED] SHOWS THAT IN [REDACTED]

[REDACTED] THIS ACTION

NECESSITATED SUBPOENA SERVICE ON [REDACTED]

b6
 b7C
 b7D
 b3

b3
 b7D

b3
 b7D
 b7E

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

NY 196B-1774

UNCLAS

b3
b7D

AN

AGREEMENT WHEREBY THE DOCUMENTS WILL BE PROVIDED TO THE GOVERNMENT
HAS BEEN SIGNED. RECORD PRODUCTION SHOULD BEGIN BY THE END OF
AUGUST.

BT

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0631 0118221

RR HQ

DE NY 026

R 082100Z AUG 83

FM NEW YORK (196B-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

BT

UNCLAS

b6
b7C

ATTN: SA

MARC RICH, DBA MARC RICH AND COMPANY; ET AL; FBW - ENERGY RELATED
(OO: NY).

RENYTEL TO BUREAU, JULY 6, 1983.

CAPTIONED NY CASE FILE OPENED OCTOBER, 1981. ORIGINAL ALLEGATION INVOLVED MOVEMENT OVERSEAS OF U.S. INCOME DERIVED FROM "CERTIFICATION TRADING" IN CONTROLLED OIL DURING YEARS 1980 AND 1981 BY MARC RICH AND PINCUS GREEN, OWNERS OF NUMEROUS U.S. AND FOREIGN CORPORATIONS AND OTHER U.S. COMPANIES. BASIS OF INVESTIGATION WAS COOPERATION

OF

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/2093

196A-1274-114

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 9 1983	
FBI-NEW YORK	

PAGE TWO

NY 196B-1774

UNCLAS

[REDACTED]
CONTINUED INVESTIGATION THROUGH GRAND JURY (OVER [REDACTED]

SUBPOENAED) UNCOVERED ANOTHER [REDACTED]

b6
b7C
b7D
b3

[REDACTED]

[REDACTED] ATTEMPTS TO ELICIT COOPERATION

OF [REDACTED] NEGATIVE. HE IS NOW TARGET
OF INVESTIGATION AND PRESENTLY EMPLOYED [REDACTED]

ADDITIONALLY, CERTAIN OTHER [REDACTED]

b3
b7D

[REDACTED] ARE IN QUESTION

(APPROXIMATELY [REDACTED] THE TOTAL EVADED [REDACTED]

[REDACTED]
LAST ISSUE REMAINING INVOLVES [REDACTED]

[REDACTED]
[REDACTED] SHOWS THAT IN

b3
b7D
b7E

[REDACTED] THIS ACTION

NECESSITATED SUBPOENA SERVICE ON [REDACTED]

PAGE THREE

NY 196B-1774

UNCLAS

b3
b7D

AN

AGREEMENT WHEREBY THE DOCUMENTS WILL BE PROVIDED TO THE GOVERNMENT
HAS BEEN SIGNED. RECORD PRODUCTION SHOULD BEGIN BY THE END OF
AUGUST.

BT

Date 8/9/83

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: SAC, NEW YORK
SUBJECT: MARC RICH;
DBA MARC RICH AND CO.
ET AL;
FBW - ENERGY RELATED
(OO: NY)

196B-1774

Field Office File Number

M-1

Squad or RA Number

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Surveill. Sqd Asst	Rating
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. SWAT Team Action	
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. Telephone Toll Records	
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Undercover Operation	
5. ELSUR - FISC		10. Lab Div Exams		15. Show Money Usage		20. Visual Invest - Analysis (VIA)	

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates & Summonses (Number of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
FBI Arrests -	A	B	C					
FBI Locates -								
Criminal Summons -								
Number of Subjects of FBI Arrests Who Physically Resisted								
Number of Subjects of FBI Arrests Who Were Armed								
C. Release of Hostages: (Number of Hostages Released)	Hostages Held By Terrorists: All Other Hostage Situations			E. Civil Matters	Government Defendant		Government Plaintiff	
				Amount of Suit				
				Settlement or Award			Enter AFA Payment Here	

F. Final Judicial Process: Judicial District _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name - _____ Subject's Description Code - _____

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction	In-Jail Term	Suspended	Probation	Fine
			Title Section Counts	Yrs Mos	Yrs Mos	Yrs Mos	
							\$
							\$
							\$
							\$

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction	In-Jail Term	Suspended	Probation	Fine
			Title Section Counts	Yrs Mos	Yrs Mos	Yrs Mos	
							\$
							\$
							\$
							\$

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 SL/mj

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction	In-Jail Term	Suspended	Probation	Fine
			Title Section Counts	Yrs Mos	Yrs Mos	Yrs Mos	
							\$
							\$
							\$
							\$

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks _____

with grand jury subpoena starting on the 29th August 1983

when record production is scheduled to be completed

2 - Bureau
2 - Field Office
See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

GJL:mms

(6)

196B-1774-114A

SEARCHED INDEXED
SERIALIZED FILED
AUG 19 1983
FBI-NEW YORK

Marc Rich Papers Seized at Airport

By ERIC N. BERG

Acting on a late-night tip, United States agents rushed to Kennedy International Airport Monday night, halted a jet about to depart for Switzerland, and seized two steamship trunks that the Government said were packed with documents subpoenaed more than a year ago from a commodity trader, Marc Rich & Company International Ltd.

Federal agents sealed the trunks and brought them to the United States

Courthouse in lower Manhattan, where they were placed under the protection of United States marshals.

At a court hearing yesterday morning, Federal Judge Leonard B. Sand ordered Marc Rich International to turn over by noon today subpoenaed documents not yet delivered.

Marc Rich International had been the United States operation of Marc Rich & Company A.G. until it was sold July 7 and renamed Clarendon Ltd. Both Clarendon and its former parent, based in Switzerland, are being investigated by the Govern-

ment on charges of tax evasion.

Visibly angered, Judge Sand told lawyers for Clarendon: "Within 24 hours from noon today, every single piece of paper in control of Clarendon from outside the United States is to be sent to the custody of this court."

He added: "Failure to comply with that will be a violation of this court's order and will bring further actions."

The judge also ordered that documents subpoenaed from Marc Rich International still in the United States

Continued on Page D6

Continued From First Business Page
be delivered to Government prosecutors by 4:30 P.M. yesterday. It was not immediately clear whether Clarendon had complied. Lawyers for Clarendon said they did not know whether the clerical staff could compile the requested documents and cart them downtown to meet the deadline.

A Hearing This Morning

The judge also told lawyers that a hearing would be held this morning at which the trunks would be opened, and defense attorneys would have a chance to try to prevent the documents from being entered as evidence.

The seizing of the trunks, which came seconds before the jet containing them was to depart for Zurich, was a curious twist in the Marc Rich case. It came only a few hours after Government prosecutors announced that Marc Rich, after resisting for more than a year, had agreed to turn over all documents subpoenaed by a Federal grand jury beginning in March 1982.

Federal prosecutors, including Morris Weinberg Jr., the Assistant United States Attorney handling the case, had expressed confidence that Marc Rich would comply with the agreement. Their confidence rested on the fact that since June 29, Marc Rich has been held in contempt of court for failing to turn over the papers and has been incurring fines of \$50,000 a day.

According to the agreement reached Friday, Marc Rich was to continue incurring these fines until it produced the requested documents. It has already paid \$2.6 million.

But the recovery of the trunks at the airport, just moments before they were to leave the United States, cast fresh doubt on Marc Rich's good will, sources close to the prosecutors of fice said. They said it is unclear whether the Government would take new steps to force Marc Rich to comply with its requests.

196A-1774

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mz

196A-1774-115

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 10 1983	
FBI-NEW YORK	

The Washington Post

WEDNESDAY, AUGUST 10, 1983

Higher in Area Approximately 75 Miles
From District of Columbia (See Box on A)

Trading Firm's Documents Seized at N.Y. Airport

By James L. Rowe Jr.
Washington Post Staff Writer

Three days after the Swiss trading firm Marc Rich & Co. AG agreed to supply corporate records to a federal grand jury in New York, federal agents seized two trunks full of subpoenaed documents at Kennedy Airport Monday night to prevent them from being flown to Switzerland.

The documents belonged to a former Marc Rich subsidiary and had been subpoenaed by a grand jury

investigating whether the subsidiary evaded U.S. taxes by allegedly shifting profits from oil-trading transactions to the Swiss parent.

Yesterday, the two black steamer trunks sat in a New York federal courtroom in front of U.S. District Judge Leonard B. Sand, who has presided over the nearly 18-month battle between Marc Rich and federal prosecutors.

New York attorney Peter Fleming, who represented the new owners

of the former subsidiary, said the documents were being shipped to Switzerland so they could be examined by the firm's New York counsel. "I think it can be explained," Fleming told Sand, "but I believe that is for another day."

The U.S. subsidiary had agreed months ago to provide prosecutors with the documents that presumably detail its side of the oil transactions. Some 70,000 pages have been turned over by the subsidiary, but thou-

sands more pages remained to be produced, including those in the trunks.

The Swiss parent had refused for more than a year to turn over its records on the transactions and was fined \$50,000 a day by Sand on June 29.

On Friday, Marc Rich promised to surrender the Swiss-held documents after Sand issued orders attaching Rich's assets at 30 compa-

See RICH, A9, Col. 1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY sps-JC/aw

196A-1774-116

Trading Firm's Documents Seized At N.Y. Airport

RICH, From A1

nies with which the Swiss firm was known to have relationships.

Marc Rich, who nine years ago set up the trading firm that bears his name, is also a half-owner of the company that owns Twentieth Century-Fox Film Co. Rich and associate Pincus Green, who had directed the secretive \$10 billion trading empire from New York, reportedly moved to Switzerland in mid-June.

The documents seized Monday night were owned by Clarendon Ltd. AG, which was Marc Rich International Ltd. until June 30 when the subsidiary was surreptitiously sold by the Swiss firm to three of its five previous owners.

Assistant U.S. attorney Jane Parver told Sand yesterday that prosecutors had received information that more documents were to be shipped to Switzerland last night.

Prosecutors would not identify either the Clarendon employee who was to accompany the documents nor how the government was alerted to the shipment. Parver told the court that reservations had been made on several different airline flights to Switzerland Monday night and that when the Clarendon employee was approached she told Parver she had been instructed "by counsel" not to talk to government lawyers.

Fleming said he appeared at the hearing as the "alter ego" of Washington attorney Edward Bennett Williams. Sand said Williams had asked that yesterday's hearing be postponed because he could not attend. Sand held the hearing anyway.

Williams represents not only Clarendon Ltd., but Marc Rich and his associate Green.

Green and Rich were the only owners of the New York subsidiary that are not owners of Clarendon, according to Assistant U.S. attorney Morris Weinberg, who has headed the government's efforts in the tax investigation. The subsidiary was a U.S. corporation. Clarendon is Swiss.

Sand ordered Clarendon to produce every document subpoenaed by the grand jury by noon today. He said that any document examination, stamping or copying could be done by Clarendon's lawyers under the supervision of the U.S. attorney's office.

The documents the Swiss parent has agreed to produce are still due Aug. 19, Weinberg said. By Aug. 19, the company will have paid \$2.6 million in fines to the court.

The grand jury has been investigating whether in 1980 the New York subsidiary bought oil at a loss from the Swiss parent in order to shift about \$100 million in profits out of the grasp of U.S. tax laws to more lightly taxed Switzerland. Because grand jury investigations are secret, prosecutors have declined to discuss the exact dimensions of the investigation.

In battling the federal subpoena, the Swiss firm first argued that U.S. courts had no jurisdiction in Switzerland, an argument rejected by a federal appeals court and the Supreme Court. The firm later invoked Swiss secrecy laws, but Sand rejected that argument and imposed the fine June 29.

Special Correspondent John Kennedy also contributed to this story.

Tax probbers grab documents at JFK

By THOMAS HANRAHAN

Documents subpoenaed by a federal grand jury investigating tax evasion were seized aboard a jet at Kennedy Airport as lawyers for a Swiss commodities firm tried to take the papers out of the country, federal officials said yesterday.

Manhattan Federal Judge Leonard Sand yesterday ruled that the subpoenaed information must not leave the country, and ordered that a number of documents in Switzerland be returned to the United States by noon today. The firm has until Aug. 19 to produce the documents in court.

Clarendon AG, an American subsidiary of Marc Rich & Co., had tried to take the documents to Switzerland Monday night so the company's lawyers could review them, said

Robert Meister, a lawyer for Clarendon.

Marc Rich, a multibillion-dollar corporation based in Zug, Switzerland, is one of the world's largest commodity dealers. It is being investigated for tax evasion.

Government lawyers said they discovered two of Clarendon's lawyers at Kennedy Airport aboard a plane headed for Switzerland. Two trunks filled with the subpoenaed material also were on the plane, they said.

Marc Rich earlier paid \$1.25 million in fines for its yearlong refusal to furnish documents subpoenaed by a grand jury investigating whether the company's U.S. subsidiary evaded taxes on oil trading profits.

Pressured by the fines and the threatened freeze of its assets, the firm agreed Friday to give the documents to the grand jury.

Daily News, Wednesday, August 10, 1983

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mg

196 A-1774-117

COMPANY NEWS

Judge Bars Marc Rich Delay

By ERIC N. BERG

Marc Rich & Company International Ltd., the commodity trading firm that has spent the last year and a half resisting prosecutors' requests for subpoenaed documents, yesterday asked a Federal judge for 12 more days to produce the documents.

But in a court hearing, a visibly irritated Judge Leonard B. Sand rejected the request. The documents had been subpoenaed by a Federal grand jury investigating possible tax evasion by Marc Rich & Company A.G., which was the parent firm of March Rich International.

Instead, the judge ordered Marc Rich International to turn over all requested documents in the United States by the close of business yesterday.

And he gave the firm until Monday morning to produce any remaining documents under subpoena. Most of the other documents are in Zug, Switzerland, where Marc Rich International had been based before it was sold and renamed Clarendon Ltd., itself now based in Zug.

"By 10 A.M. Monday, New York time, the documents must be in transit," the judge said at a hearing at the United States Court House in lower Manhattan.

Hauling Documents to Court

It was not immediately clear if Clarendon had complied with the court's request to relinquish some documents yesterday. Sources close to the case, however, said that about 5 P.M. workmen began hauling boxes of documents from Clarendon's 650 Fifth Avenue headquarters to the

courthouse in Manhattan.

Prosecutors and defense attorneys spent more than an hour yesterday fighting over how long it should take to produce all the documents. The Government began subpoenaing the papers in March 1982 as part of its investigation into whether Marc Rich A.G. had used an oil pricing scheme to reduce its 1981 United States income taxes.

At one point in the hearing, Peter Fleming Jr., a Clarendon attorney, suggested that it would be imprudent to heed the Government's request to transport documents from Switzerland without photocopying them because the documents could be lost. "Suppose the plane crashed," Mr. Fleming said.

"I think one way to avoid that would be to have Mr. Fleming on the plane," responded Jane W. Parver, an Assistant United States Attorney in charge of the Major Crimes unit.

"I don't want to take that risk," Mr. Fleming said.

One-Day Extension

In making his order to produce some documents by the end of business yesterday, Judge Sand in effect gave Clarendon a one-day extension. The judge had originally said that documents in the United States had to be in prosecutors' hands by Tuesday. He ordered that deadline after United States agents, acting on a late-night tip Monday, halted a jet at John F. Kennedy International Airport and seized two steamer trunks crammed with documents that they said came under the subpoena.

At yesterday's hearing, attorneys for Clarendon told the judge that they

had been unable to meet his Tuesday deadline because its clerical staff simply did not have enough time to duplicate the papers. The attorneys asked to deliver all papers, in and outside the United States, by Aug. 22.

Judge Sand, however, angered by what he considered delaying tactics, refused the requests.

"We are not dealing here with a mom-and-pop grocery store," Judge Sand said. "We are dealing here with a worldwide commodity-trading firm, which, I have been told, uses telexes, telephones — in short, all the devices of modern communication."

After hearing a request from Clarendon attorneys that the attorneys be permitted to travel to Switzerland, where Clarendon is based, and assemble documents themselves, the judge said, "I can't begrudge anyone wanting a trip to Switzerland." But he added, "What I am trying to suggest is that 99 percent of the documents in question can be produced by a reasonably intelligent secretary or clerk. It doesn't require legal skills or your supervision until a later date."

Clarendon attorneys had until 9:30 A.M. yesterday to review documents in the heavy black steamer trunks seized at the airport. But the attorneys permitted the deadline to pass, and the trunks were placed in the custody of the prosecutors.

According to Miss Parver, the documents in the trunks, which were sealed after being taken from the plane, will be given to the grand jury investigating Marc Rich A.G. But since the papers are the object of a subpoena, they will remain secret unless Judge Sand orders they be made public.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/0 BY SP5 JL/may

b6
b7C

176A-1774-118

SEARCHED _____ INDEXED _____
SERIALIZED _____ FILED _____

AUG 11 1983

NEW YORK

MAWP-3

Memorandum



To : SAC, NY (196-1774) (P)

Date 8/11/83

From : SA [REDACTED]

b6
b7C

Subject : MARC RICH
DBA MARC RICH AND CO
ETAL
FBW - ENERGY RELATED
OO: NY

Due to transfer of case agent it is recommended that the captioned matter be reassigned.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mjx

b6
b7C

REASSIGN

To →
8-11-83

196A-1774-119

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 11 1983	
YORK	

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 8/11/83

009

FM NEW YORK (196A-1774) (P) (M-1)

TO ~~DIRECTOR~~ (ROUTINE) 1453

BT

UNCLAS

ATTENTION: SUPERVISOR [REDACTED] FINANCIAL CRIMES SECTION.

MARC RICH, DBA; MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

[REDACTED] FBW - ENERGY RELATED (OO: NY).

ON [REDACTED] ATTORNEYS FOR [REDACTED]

ASKED FEDERAL JUDGE LEONARD B. SAND FOR TWELVE MORE DAYS TO
 PRODUCE SUBPOENAED DOCUMENTS. IN A HEARING THE JUDGE REJECTED
 THE REQUEST AND ORDERED [REDACTED] TO TURN OVER ALL
 REQUESTED DOCUMENTS [REDACTED] BY CLOSE OF BUSINESS

[REDACTED] FURTHER, HE GAVE [REDACTED]

TO PRODUCE ANY REMAINING DOCUMENTS UNDER SUBPOENA, MOST OF WHICH
 ARE IN [REDACTED]

JUDGE SAND ORDERED THE DEADLINE AFTER U.S. CUSTOMS AGENTS,
 ACTING ON A LATE NIGHT-TIP, TOOK POSSESSION [REDACTED]

[REDACTED] DOCUMENTS BELIEVED TO BE UNDER SUBPOENA. U.S. CUSTOMS

1 - NEW YORK
 1 - SUPV. M-1

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 J/maz

MEB:ms
 (2)

SEARCHED INDEXED
 SERIALIZED FILED
 AUG 12 1983

Approved: LFL/mwp3

Transmitted

(Number)

(Time)

Per

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

TOOK POSSESSION [REDACTED] UNDER THE AUTHORITY OF A FORTH-WITH
SUBPOENA.

JUDGE SAND ALLOWED [REDACTED] ATTORNEYS UNTIL [REDACTED]
[REDACTED] TO REVIEW THE DOCUMENTS [REDACTED] BUT THE ATTORNEYS
PERMITTED THE DEADLINE TO PASS AND THE [REDACTED] WERE PLACED IN THE
CUSTODY OF THE GOVERNMENT. THE DOUCMENTS WILL NOW BE GIVEN TO THE
GRAND JURY INVESTIGATING THE CASE.

BT

b3

b3

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

#

NY0792 2231453

RR HQ

DE NY 009

R 0111445Z AUG 83FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (ROUTINE)

BT

UNCLAS

ATTENTION: SUPERVISOR [REDACTED] FINANCIAL CRIMES SECTION.

MARC RICH, DBA; MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

[REDACTED] FBW - ENERGY RELATED (OO: NY).

ON [REDACTED] ATTORNEYS FOR [REDACTED]

ASKED FEDERAL JUDGE LEONARD B. SAND FOR TWELVE MORE DAYS TO
PRODUCE SUBPOENAED DOCUMENTS. IN A HEARING THE JUDGE REJECTED
THE REQUEST AND ORDERED [REDACTED] TO TURN OVER ALL
REQUESTED DOCUMENTS [REDACTED] BY CLOSE OF BUSINESS

[REDACTED] FURTHER, HE GAVE [REDACTED]

TO PRODUCE ANY REMAINING DOCUMENTS UNDER SUBPOENA, MOST OF WHICH
ARE IN [REDACTED]

JUDGE SAND ORDERED THE DEADLINE AFTER U.S. CUSTOMS AGENTS,
ACTING ON A LATE NIGHT-TIP, TOOK POSSESSION [REDACTED]

[REDACTED] DOCUMENTS BELIEVED TO BE UNDER SUBPOENA. U.S. CUSTOMS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/00 BY SP5 JC/mg

196A-1774-120

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 12 1983	
FBI-NEW YORK	

PAGE TWO

NY 196A-1774

UNCLAS

TOOK POSSESSION [REDACTED] UNDER THE AUTHORITY OF A FORTH-WITH
SUBPOENA.

JUDGE SAND ALLOWED [REDACTED] ATTORNEYS UNTIL [REDACTED]

b3

[REDACTED] TO REVIEW THE DOCUMENTS [REDACTED]

BUT THE ATTORNEYS

PERMITTED THE DEADLINE TO PASS AND THE [REDACTED] WERE PLACED IN THE
CUSTODY OF THE GOVERNMENT. THE DOUCMENTS WILL NOW BE GIVEN TO THE
GRAND JURY INVESTIGATING THE CASE.

BT

SWISS SEIZE PAPERS SOUGHT IN U.S. CASE

Corporate Secrecy Law Cited
in Act at Marc Rich Office

By KIRK JOHNSON

The Swiss Government, citing its laws on corporate disclosure, has seized documents belonging to a Swiss-based multinational company that is under investigation in the United States for possible income-tax evasion. And it said yesterday that it would not release the documents without negotiations with Washington.

Swiss officials said yesterday that the papers were seized Friday night in Zug at the headquarters of Marc Rich & Company A.G. in an effort to determine whether the company had violated Switzerland's secrecy laws in agreeing to surrender many of its records to a grand jury in the United States.

The company, one of the world's biggest commodities trading firms, agreed 10 days ago to surrender certain records to a Federal grand jury. The panel is investigating charges that the firm evaded United States income taxes on at least \$20 million in profits.

The document seizure is the latest twist in a case that has involved American and Swiss courts and batteries of lawyers in both countries. By acting on the basis of its national laws, however, Switzerland's action puts the case on a

Continued on Page D8, Column 4

P.A. 10 F NYT 8/15/83

P. 1 of 2

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mar

196 A-1774-121

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 15 1983	
FBI-NEW YORK	

Swiss Seize Marc Rich Documents

Continued From Page A1
government-to-government basis for the first time.

Marc Rich agreed on Aug. 5 to provide documents that had been subpoenaed more than a year ago by a Federal grand jury in Manhattan. Under a contempt-of-court citation, the company had run up more than \$2 million in fines before finally agreeing to supply the documents.

"I think this is going to turn into a fairly complicated issue," said Robert B. Reich, a professor at Harvard's Kennedy School of Government. "On the one hand you have a legal question, and on the other, you have a political question."

In a statement released jointly by the Justice Department in Washington and the United States Attorney's office for the Southern District of New York, officials expressed "regret" at the Swiss action.

"From everything we know about these documents, their surrender to the grand jury would constitute no violation or attempted violation of any Swiss law," the statement said.

Although the statement said United States officials would continue to work with the Swiss Government in resolving the matter, it added that "there are outstanding orders by the United States District Court, and we will be seeking appropriate sanctions to assure their compliance." Morris Weinberg, Jr., an Assistant United States Attorney in charge of the case, who read the statement over the telephone, said he could not elaborate.

Spokesmen for Marc Rich could not be reached for comment yesterday. Calls to the company's New York office were not returned. There was no answer at Swiss headquarters in Zug.

Despite the officials' obvious chagrin over the seizure, it was not clear whether the Swiss action would cripple the grand jury investigation.

A spokesman at the Swiss Embassy in Washington said yesterday that the

United States would have to file a formal request with the Swiss Government if it wanted to obtain the seized files. But, he said, the Swiss would be willing to cooperate — if there were no violation of their secrecy statutes.

"It's not our intention to frustrate U.S. court proceedings," said Jurg Leutert, a legal adviser to the Swiss Embassy. "It's our intention to follow Swiss law."

The seizure of the documents "does not mean that they can't be used in the U.S. investigation," Mr. Leutert said. But he added, "We must examine them first."

Mr. Leutert said Swiss officials had been concerned about possible secrecy-law violations and added that his Government had previously contacted United States officials about the issue, "but we never received a reply."

He said Swiss prosecutors were examining the seized papers to determine whether Marc Rich's agreement to turn over its documents to the United States grand jury violated the disclosure laws. He said he was uncertain how many documents had been seized or whether they were the same papers that were being sought by American investigators.

Under Swiss law, "Certain business and economic information may simply not be given to foreign authorities," Mr. Leutert said.

But even though many of the documents requested by United States prosecutors had not yet been provided, he said, the agreement to turn them over might in itself constitute a Swiss violation. Secrecy-law violations in Switzerland are punishable by jail terms and severe fines.

The commodities firm, in originally refusing to turn over its documents to United States authorities, had argued that it would violate Swiss law by doing so. The firm's refusal subsequently led to a contempt-of-court citation.

On June 29, Judge Leonard B. Sand of the Federal District Court in Manhattan ordered that the company pay a \$50,000-a-day fine pending the delivery of the documents. The judge had previously served restraining orders on several companies doing business with Marc Rich, ordering each of them to freeze up to \$2.7 million of the Swiss company's assets.

Marc Rich trades more than \$10 billion worth of commodities a year, including oil, copper, tin and grain, through 40 offices in 30 countries. It was first questioned by the Federal grand jury in Manhattan in March 1982.

Last Monday, shortly after the company had agreed to supply the subpoenaed documents and pay \$1.35 million in accrued fines, Federal investigators received a tip that certain papers might be taken out of the country. They raced to Kennedy International Airport and halted a jet ready to take off for Switzerland. Two trunks of documents were seized.

Judge Sand ordered then that "every single paper" requested in the tax evasion investigation would have to be provided by the company within 24 hours. Failure to comply, he said, would be "a violation of this court's order and will bring further action."

When the company agreed on Aug. 5 to provide the documents, they were given 14 days to do so.

The documents requested by the United States primarily concern records of transactions in an investigation into whether Marc Rich's American subsidiary evaded some \$20 million of taxes in 1980 by inflating the price it had paid the Swiss parent company for oil.

In announcing their decision to release the documents, Marc Rich officials said they had agreed because of fears among the company's customers and suppliers that the Government was preparing to seize its United States assets.

P 262

Date 8/12/83

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage* ☒ Motor Vehicle ☐ Other ☐
☒ Driver's License

To RADIO ROOM Buded

Return to SA MI File number 196A-1774

Name and aliases of subject, applicant, or employee, and spouse Ancus Green b6
b7C

Addresses

Residence

Business

Former

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mg

* Date and place of marriage
(if applicable)

Race	Sex	Age	Height	Weight	Hair	Eyes
<u>W</u>	<input checked="" type="checkbox"/> Male <input type="checkbox"/> Female					

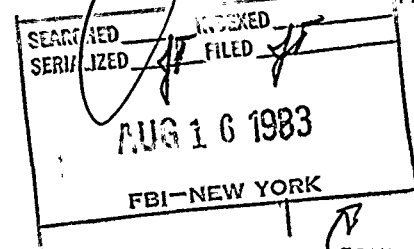
Birth	Birthplace

Arrest Number	Fingerprint classification	Criminal specialty

Specific information desired	Social Security Number
b6 b7C	

Results of check

(Use reverse side, if necessary)



10
9
8 ALL2

7 HEDR G18186 78772 332113-34

6 GREEN, PINCUS

M b6

b7C

5
4
3 000000 10

LIC

GR 5 10 A

REG1

HEDR G18186 78772 332113-34

GREEN, PINCUS

M

PLATE

00 80

b6

b7C

REG 88 10/83 10/15/82 2101500102 00 00 0

INS

79 DODGE

REG 88 10/82 10/20/81 1102000106 00 10 0

INS

REG2

HEDR G18186 78772 332113-34

GREEN, PINCUS

M

PLATE

00 A0

REG 88 07/84 07/10/83 3071800909 00 00 0

INS

78 OLDSM

b6

b7C

REG 88 07/83 07/07/82 2070700110 00 10 0

INS

Date 8/12/83

☐ Birth ☐ Credit ☐ Criminal ☐ Death ☐ INS ☐ Marriage * ☒ Motor Vehicle ☐ Other ☐
☒ Driver's License

To RADIO Room Buded

Return to SA (m-1) File number 196A-1774

Name and aliases of subject, applicant, or employee, and spouse

MARC RICH

b6
b7C

Addresses

Residence 80 Kensington ST, Lido Beach, NY

Business

Former 625 Park Ave, NY, NY

* Date and place of marriage
(if applicable)

Race <u>W</u>	Sex <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female	Age	Height	Weight	Hair	Eyes
------------------	--	-----	--------	--------	------	------

Birth date <u>12/18/34</u>	Birthplace
-------------------------------	------------

Arrest Number	Fingerprint classification	Criminal specialty
---------------	----------------------------	--------------------

Specific information desired	Social Security Number
------------------------------	------------------------

Results of check

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5/JC-maj

196A-1774-123

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 16 1983	
FBI-NEW YORK	

8/15/83
196A-1774

ALL1

HEDR R09099 91045 347921-34

RICH, MARC 12/18/34M

80 KENSINGTON ST LIDO BCH NY

NASS 11561 000000 10

LIC *5* 12/18/86 BR 5 9

21223 01357

CONV NASS-50 2 PASSED RED LIGHT

01/28/78 03/08/78 8041120530
ETCH H 81130 00057

REG1

HEDR R09099 91045 347921-34

RICH, MARC 12/18/34M

80 KENSINGTON ST LIDO BEACH NY

PLATE 5254EX 90 NASS 11561 00 00

REG S 06/85 06/11/82 2071207112 00 00

BOAT CXC12845M821 82 CO/CR
FIBR IN G019 1 20 PLEASURE NASS

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 2/21/01 BY SP5 JC/mj

REG2

HEDR R09099 91045 347921-34

RICH, MARC 12/18/34M

80 KENSINGTON ST LIDO BEACH NY

PLATE 863GWJ 16 NASS 11570 08 80

REG R 07/81 02/12/80 0102451675 00 00 0
INS 344 6D89S7E648007 77 CADIL

4DSD WH G08 004222

REG R 09/80 10/10/79 9101000054 10 10 0

INS 344

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 8/16/83

FM NEW YORK (196A-1774) (M-1)

TO ~~DIRECTOR (196B-2848)~~ ROUTINE 1525

BT

UNCLAS

ATTENTION: [REDACTED] FINANCIAL CRIMES SECTION).

MARC RICH, DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW- ENERGY RELATED (OO: NY).

RENYTEL, AUGUST 11, 1983.

THE PURPOSE OF THIS TELETYPE IS TO KEEP FBIHQ UPDATED REGARDING
 STATUS OF CAPTIONED INVESTIGATION.

ON [REDACTED] SEIZED DOCUMENTS THAT WERE
 UNDER SUBPOENA AT [REDACTED]
 IN AN EFFORT TO DETERMINE WHETHER [REDACTED]

b3

[REDACTED] IN AGREEING TO SURRENDER ITS RECORDS TO A GRAND JURY IN
 THE UNITED STATES. FURTHER, DOCUMENTS WILL NOT BE RELEASED WITHOUT
 NEGOTIATIONS WITH WASHINGTON. UNITED STATES WILL HAVE TO FILE A FORMAL
 REQUEST WITH [REDACTED] TO OBTAIN SEIZED DOCUMENTS. [REDACTED] ARE
 LIKELY TO COOPERATE IF THEY FIND NO VIOLATION OF THEIR [REDACTED]

1 - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 JC/mj

b6
b7CApproved: L/ATransmitted 1525

(Number)

(Time)

Per ✓

196A-1774-124

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

THEREFORE, [] WILL EXAMINE DOCUMENTS FIRST. ACCORDING TO []

[] LAW, CERTAIN

[] INFORMATION MAY SIMPLY NOT BE GIVEN TO []

POSITION OF SOUTHERN DISTRICT OF NEW YORK IN THIS MATTER IS THAT
SURRENDER OF [] DOCUMENTS TO U.S. GRAND JURY WOULD CONSTITUTE NO
VIOLATION OR ATTEMPTED VIOLATION OF ANY []

NY WILL KEEP FBIHQ ADVISED.

BT

Approved: _____ Transmitted _____ (Number) (Time) Per _____

#

NY0137 2291525

RR HQ

DE NY 002

R 171515Z AUG 83

FM NEW YORK (196A-1774) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

BT

UNCLAS

ATTENTION: [REDACTED] FINANCIAL CRIMES SECTION).

MARC RICH, DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

[REDACTED] FBW- ENERGY RELATED (OO: NY).

b6
b7C

RENYTEL, AUGUST 11, 1983.

THE PURPOSE OF THIS TELETYPE IS TO KEEP FBIHQ UPDATED REGARDING
STATUS OF CAPTIONED INVESTIGATION.

ON [REDACTED] SEIZED DOCUMENTS THAT WERE
UNDER SUBPOENA AT [REDACTED]
IN AN EFFORT TO DETERMINE WHETHER [REDACTED]

[REDACTED] IN AGREEING TO SURRENDER ITS RECORDS TO A GRAND JURY IN
THE UNITED STATES. FURTHER, DOCUMENTS WILL NOT BE RELEASED WITHOUT
NEGOTIATIONS WITH WASHINGTON. UNITED STATES WILL HAVE TO FILE A FORMAL

b3

REQUEST WITH [REDACTED] TO OBTAIN SEIZED DOCUMENTS. [REDACTED] ARE
LIKELY TO COOPERATE IF THEY FIND NO VIOLATION OF THEIR [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

b6
b7C

196A-1774-124

SEARCHED ☒ INDEXED ☒
SERIALIZED ☒ FILED ☒
AUG 14 1983
FBI - NEW YORK
[REDACTED] B

PAGE TWO

NY 196A-1774

UNCLAS

THEREFORE, [REDACTED] WILL EXAMINE DOCUMENTS FIRST. ACCORDING TO [REDACTED]

CERTAIN

[REDACTED] INFORMATION MAY SIMPLY NOT BE GIVEN TO [REDACTED]

POSITION OF SOUTHERN DISTRICT OF NEW YORK IN THIS MATTER IS THAT
SURRENDER OF [REDACTED] DOCUMENTS TO U.S. GRAND JURY WOULD CONSTITUTE NO
VIOLATION OR ATTEMPTED VIOLATION OF ANY [REDACTED]

NY WILL KEEP FBIHQ ADVISED.

BT

Swiss See Accord on Seized Papers

By JOHN TAGLIABUE

Special to The New York Times

BONN, Aug. 17 — Swiss Government officials said today that they believed agreement could be reached with the United States to secure the release of documents of Marc Rich & Company A.G. that have been subpoenaed in a Federal grand jury investigation of the company.

"We believe that the problem can be solved, through contacts, through talks," said Jörg Kistler, a spokesman for the Swiss justice ministry, in Bern.

But the officials could not say how soon such an agreement could emerge, or whether it would release all or only part of the papers, which Swiss prosecutors seized last weekend at the company's headquarters in Zug, Switzerland.

A United States court has ordered the company to turn over the documents to a Federal grand jury investigating the Swiss-based commodities trading firm for possible tax evasion.

shareholders, according to Peter F. Ryan, the chief financial officer of Clarendon Ltd.

Clarendon Ltd. is the new name of what had been the subsidiary of Marc Rich & Company A.G. that operated in the United States. In 1976, Marc Rich & Company International Ltd. was organized in Switzerland as a subsidiary of Marc Rich A.G., primarily to handle trading activities in the United States, according to Mr. Ryan.

But on June 30, one day after Marc Rich A.G. was found in contempt of court for not complying with a subpoena by a Federal grand jury investigating the company for possible tax evasion, the Swiss parent sold the United States operation to Clarendon A.G., a new concern run by some of the principals of Marc Rich A.G.

The new owner of Clarendon, for example, Alexander J. Hackel, was previously the managing director of Marc Rich A.G., and Willy R. Strothotte, the president and chief operating officer of Clarendon, was the head of the metals and minerals unit of Marc Rich.

Clarendon officials have insisted that their company is independent, but Morris Weinberg Jr., an Assistant United States Attorney, has called the

move to start his own firm and took a number of top traders, including Mr. Green, with him.

Since his departure, according to traders interviewed, Mr. Rich has been waging a vendetta against his former employer, instructing employees at times to take losses on trades if it meant stealing business from Philipp Brothers. Stories abound of the two firms hiring "moles" to spy on each other and of plotting to lure away each others' key traders.

On one occasion, according to John Hughes, a principal in the London-based commodity firm of LHW Futures, Philipp Brothers urged its bankers not to provide credit to Mr. Rich's fledgling firm. But Mr. Rich, in one of his earliest coups, was able to secure a contract to supply crude oil to Atlantic Richfield. With this as collateral, he acquired the bank credit needed to build his business.

Apart from his resentment toward his former boss, however, Mr. Rich has a reputation for being a quick-thinking, aggressive trader who encourages employees to take chances.

"The secret of success in this business is to spot trends," said Gerard F. Cerchio, the president of Sun International Inc., the trading arm of the Sun Company. "Marc Rich spots trends quicker than anyone I know. He is also a bigger risk-taker than others."

Working 16-hour days in an industry where prices change from minute to minute, Mr. Rich is said to take an unusual interest in his staff, traveling often, visiting staff members in remote trading outposts to let them air their concerns.

One commodity industry executive recalled an occasion in which Mr. Rich, on a tour of his New York office, stopped to help a secretary struggling to repair a typewriter.

"He went over to see if he could help her," the executive recalled. "He is just very sensitive to the needs around him."

And, his associates say, he has maintained his modesty.

"You wouldn't know Marc Rich from a \$30,000-a-year bank executive," said Mr. Hughes, of LHW Futures. "There is nothing ostentatious about him."

Commenting on the fact that Mr. Rich wears a relatively inexpensive Seiko wristwatch, Mr. Hughes said, "He is just not a high-profile glamour boy."

tempting to cut off oil supplies to the United States, Marc Rich A.G. was able to purchase oil in the spot market and resell it to major United States refiners at prices double the prevailing world rate of \$12 a barrel.

In 1979, when a shutoff of Iranian crude again threatened domestic oil supplies, Marc Rich A.G. earned huge premiums — as much as \$14 a barrel, industry sources say — by supplying the Atlantic Richfield Company with Nigerian crude that the commodity trader had contracted for before the revolution in Iran.

And in early 1981, when falling tin prices threatened the economy of Malaysia, Mr. Rich demonstrated his own influence in world commodity markets. A close friend of Abdul Rahman Ali, then the head of the Malaysian Mining Corporation, the state-owned tin company, Mr. Rich reportedly masterminded a plan to buy most of the world's tin, stockpile it, and inflate prices. The plan made Mr. Rich a considerable amount of money before it finally collapsed when the United States stepped up tin sales from its own stockpiles.

Throughout these dealings, Mr. Rich and his firm have remained intensely secretive. Honoring a tradition of confidentiality dating to 15th-century Venetian silver merchants, they have refused to disclose the names of customers or suppliers or details of trades. Mr. Rich, who has maintained an apartment in Manhattan and a home in Lido Beach, L.I., has left the United States for Switzerland, as has Mr. Green. Both men have refused all requests for interviews.

The secrecy surrounding Mr. Rich is nearly as total as that surrounding his business dealings. It is known that Mr. Rich emigrated to the United States from Belgium when he was about 11 years old to escape the Nazi persecution of Jews during World War II. Mr. Rich's father, David Rich, a maker of burlap and cotton bags, worked at the Melrose Bag and Burlap Company of Manhattan.

According to school records, Mr. Rich attended Forest Hills High School in Queens but later transferred to the Rhodes School, a college preparatory institution on Manhattan's Upper West Side, where he managed a low "B" average. He was president of the French club, and according to his report card, was "a

ments to judge whether the Government objected to their delivery abroad, he said.

Few Requests Denied

Swiss officials said that of the nearly 250 requests for aid under the 1977 treaty, fewer than a half-dozen had been refused.

Mr. Kistler said Switzerland's federal prosecutor ordered the Marc Rich papers seized last weekend, acting on information that the company had reached an agreement to deliver them to a New York court.

He said the papers were being held in the justice ministry in Bern, and were unavailable to Marc Rich company executives or their lawyers.

The case is viewed in the Swiss capital as the most recent in a long struggle between Switzerland and the United States over Washington's frequent pursuit of Swiss companies and documents.

The struggle has led to several agreements between the countries, including one concluded last year involving stock market trading on insider information.

Mr. Kistler said Switzerland was "willing to give assistance in case of tax fraud." But he said officials in Bern had "no knowledge of an official request," which he said "would have to go via the Justice Department" under a legal assistance treaty both countries signed in 1977.

The treaty has applied to tax evasion cases since it was expanded by a Swiss statute enacted Jan. 1, he said.

Asked how soon Switzerland could respond to an official request, he said, "that would depend on the evaluation."

He emphatically denied that Switzerland sought to conceal illegal activities.

"It is not a question of protecting wrongdoing," he said, "it is a question of sovereignty."

Switzerland's penal code prohibits Swiss-based companies from delivering to foreigners papers with confidential economic information relating to third parties.

In case of a request from United States officials for the documents, Swiss officials would review the docu-

A Story of Success Is Turning Sour For Marc Rich

Continued From First Business Page

Kopping a commercial jet just before two to take off for Switzerland.

And with reports circulating that Marc Rich A.G. may have asked the Swiss police to seize its documents, Judge Sand now appears fed up. At a hearing Monday, he threatened to shut down Marc Rich A.G.'s United States operations if the commodities firm does not deliver the papers.

\$18 Billion in Trades

The company's operations are extensive. Last year, according to competitors, Marc Rich A.G.'s 450 employees in 40 offices worldwide traded more than \$18 billion worth of commodities, including aluminum, bauxite, copper, lead, zinc, tin and crude petroleum. Its unit operating in the United States, Marc Rich & Company International Ltd., with 200 employees in New York, Chicago, Pittsburgh and Detroit, traded another \$1 billion. Considered together, the firms were second in size to only Philipp Brothers, which trades more than \$25 billion a year.

Marc Rich International was sold June 30 to Clarendon Ltd., a company that was formed for the sale and whose independence is now a key issue in Federal court.

Marc Rich has its headquarters in a steel-and-glass building in Zug, a small farming community near Zurich that is home to a number of large corporations because of its low taxes. Privately held, Marc Rich A.G. does not release financial results. But a recent magazine article estimated Mr. Rich's own net worth at \$150 million.

Mr. Rich is co-owner of Marc Rich A.G. with Pincus (Pinky) Green, who is Mr. Rich's longtime friend and business associate. Along with Martin Davis, a Denver oilman, Mr. Rich also has a controlling interest in the 9th Century-Fox Film Corporation, which is now a private concern.

Series of Business Coups

Marc Rich A.G. attained its current size largely through a series of business coups that illustrate both the skill of its traders and the influence of Mr. Rich himself. In 1973 and 1974, for example, when Arab nations were attempting to cut off oil supplies to the United States, Marc Rich A.G. was able to purchase oil in the spot market and resell it to major United States refiners at prices double the prevailing world rate of \$12 a barrel.

In 1979, when a shutdown of Iranian trade again threatened domestic oil supplies, Marc Rich A.G. earned huge premiums — as much as \$14 a

purposeful, actively creative boy with a strong commitment to moving ahead."

After graduation, Mr. Rich enrolled at New York University to study marketing, but he never graduated.

He did get a job at Philipp Brothers Inc., which today is the trading arm of Phibro-Salomon Inc. When Mr. Rich began working at Philipp, the tight-knit group of German-Jewish metals traders took him under their wing and taught him their trade.

Considered a Rising Star of Firm

Mr. Rich became the protégé of Ludwig Jesselson, then the chairman and chief executive of Philipp Brothers, and soon was regarded as one of the trading firm's rising stars.

"He was just an amazingly fast study," recalled one metals trader. "You'd teach him something, and he'd learn it the first time — no questions asked. He was just an astute, very knowledgeable trader."

In an industry filled with young millionaires, Mr. Rich was also known as a modest man, despite his talent for trades.

In 1973 and into 1974, Mr. Rich negotiated a series of deals that ultimately led to his departure in anger from Philipp. A co-founder of the oil-trading division at that firm, Mr. Rich had helped the firm earn millions of dollars by parlaying his contacts with Middle Eastern metals suppliers into oil contracts with countries that included Iran and Iraq. While other traders scrambled for supplies during the oil embargo, Philipp Brothers had all it needed — thanks to Mr. Rich. As a result, under Philipp Brothers' incentive program, Mr. Rich earned a bonus exceeding \$1 million.

Dispute Over Bonus

But the bonus was never paid. According to current and former Philipp Brothers employees, the firm's management said that "no single person deserved a seven-figure bonus." What is more, Mr. Rich, who had been considered next in line to succeed Mr. Jesselson, was told that he would not be getting the top spot. Incensed, Mr. Rich left Philipp Brothers to start his own firm and took a number of top traders, including Mr. Green, with him.

Since his departure, according to traders interviewed, Mr. Rich has been waging a vendetta against his former employer, instructing employees at times to take losses on trades if it meant stealing business from Philipp Brothers. Stories abound of the two firms hiring

Outlines of Marc Rich's International Business Network

Marc Rich & Company A.G.

Incorporated in Zug, Switzerland, 1974

These two companies have a substantial number of shareholders in common.

Richco N.V.

Incorporated in the Netherlands Antilles, 1980

SUBSIDIARIES

Marc Rich & Company F.E.
Swiss corporation

Higams Consultants S.A.
Panamanian corporation

Rescor Inc.
Panamanian corporation

Liquin Resources Corporation
Panamanian corporation

Seymour Trading Company A.G.
Swiss corporation

Clarendon Ltd.

Incorporated in Zug, Switzerland, 1972 as Marc Rich & Company International; sold and current name adopted in July 1983 but its independence is disputed

Century Chartering Company

Result of 1982 merger of two subsidiaries, Century Chartering Company and Richco Exploration Inc.

SUBSIDIARIES

Richco Holdings
Netherlands company; owns stock in 20th Century

Fox Film Corporation

Richco Capital
Swiss company; deals in precious metals

Richco Sugar
Swiss company

Brownstone Commodities Corporation
United States company acquired in 1981; registered as futures commission merchant

Richco Grain
Swiss company

Richco Bullion
British company

Richco Rotterdam
Netherlands company

Richco Securities
United States company

Marc Rich & Company (Grain)
United States company

Other Related Business Ventures

Marc Rich & Company Export
United States company formed in 1975 as domestic international sales corporation and suspended in 1980

Guem Oil and Refining Company
United States company owned by a small group of Marc Rich & Company A.G. shareholders

Marc Rich & Company Inc.
United States company formed in 1974 and now inactive

Sources: Securities and Exchange Commission; Commodity Futures Trading Commission; Swiss Commercial Register; Secretaries of State of New York, Delaware and Texas; Clerk's office of New York County, and Peter F. Ryan

Independence of Clarendon at Center of Inquiry

A key issue in the investigations surrounding Marc Rich & Company A.G., one of the world's largest commodity traders, has been the independence of a company that at one time was a subsidiary operating in the United States.

The Marc Rich empire encompasses dozens of corporations in numerous countries. The companies are closely held and information about them is difficult to obtain, but they operate under the umbrella of two parent companies: Marc Rich & Company A.G., a Swiss corporation, and Richco N.V., a Netherlands Antilles corporation.

'Substantially' Same Shareholders

The parent corporations are owned by "substantially" the same group of shareholders, according to Peter F. Ryan, the chief financial officer of Clarendon Ltd.

Clarendon Ltd. is the new name of what had been the subsidiary of Marc Rich & Company A.G. that operated in the United States. In 1978, Marc Rich & Company International Ltd. was organized in Switzerland as a subsidiary of Marc Rich A.G., pri-

or to an effort to fraudulently convey an asset."

Marc Rich A.G. still guarantees the borrowings of its former subsidiary, according to Mr. Ryan, who was previously with Marc Rich International.

Mr. Ryan and other Clarendon executives also continue to work for and operate out of Richco offices in New York, although Mr. Ryan said the functional overlap between Clarendon and Richco is minimal.

Marc Rich A.G. and Clarendon also have headquarters in the same building in Zug.

Judge Leonard B. Sand of United States District Court has scheduled a hearing for Monday in Manhattan to determine whether the parent and the

affiliate are conspiring to resist his orders to turn over subpoenaed documents.

An affidavit last year by an agent for the Federal Bureau of Investigation, Gerald J. Lang, was submitted to the court as a description of the intercorporate oil dealings by Marc Rich companies.

In the affidavit, Mr. Lang stated that his investigation into crude oil trading in 1980 between Marc Rich A.G. and Marc Rich International found that International sustained a loss of \$110 million on sales of more than \$300 million worth of oil it had originally bought from its Swiss parent and then resold at lower prices.

Another affidavit by Mr. Lang, ac-

cording to court records, asserts that International avoided Federal taxes by structuring its resales to shift \$20 million in domestic income offshore to its Swiss parent.

There is no public evidence that the Government is investigating transactions involving the Richco companies, even though they do business in the United States. Officials in the United States Attorney's Office for the Southern District of New York, who are conducting the grand jury investigation, declined to comment on any aspect of the case.

Mr. Rich, who is reported to be in Switzerland, could not be reached for comment and his attorneys did not return a reporter's phone call.

Swiss See Accord on Seized Papers

By JOHN TAGLIABUÈ

Special to The New York Times
RONN Aug 17 — Swiss Government

Mr. Kistler said Switzerland was "willing to give assistance in case of tax fraud." But he said officials in Bern had "no knowledge of an official request" which he said "would have

ments to judge whether the Government objected to their delivery abroad, he said.

Few Requests Denied

Business Day

8/18/83

The New York Times

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-1-01 BY SP5TJL/NP

The Man Behind Marc Rich

Success Story Turns Sour

By ERIC N. BERG

It is the classic immigrant success story. Speaking only a foreign tongue, a young man flees war-torn Europe for America where, after an apprenticeship in a business run by other immigrants, he starts his own firm and becomes a multimillionaire.

It is the story of how Marc Rich — Belgian-born Jewish refugee, a low "B" student in high school and the son of a burlap bag maker — became head of one of the largest commodity trading firms in the world.

It is also a story shrouded in secrecy, and one that has begun to turn sour.

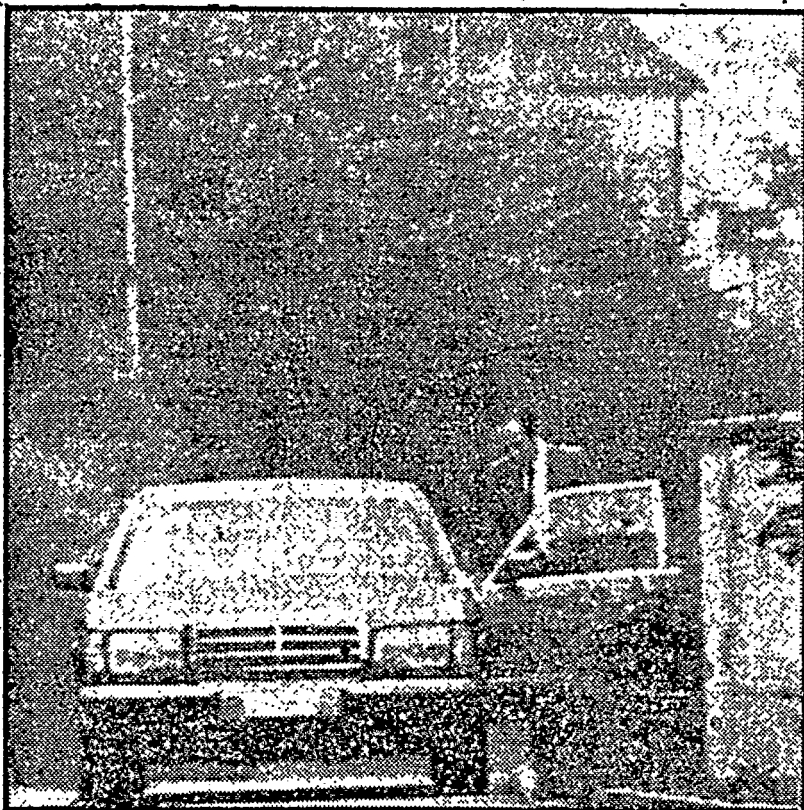
For much of his childhood, Mr. Rich did not even speak English, let alone the arcane language of commodities.

Extensive Commodity Knowledge

Today, however, Mr. Rich, who is now 48 years old, speaks perfect English and Spanish as well as his native French. His knowledge of commodities, gleaned from years of experience at the old-line New York-based commodity firm of Philipp Brothers, is considered unrivaled in the industry.

Largely as a result of this knowledge, the commodity trading firm Mr. Rich started in 1974, Marc Rich & Company A.G. of Zug, Switzerland, has become a \$10 billion-a-year organization considered among the most influential and successful in the industry. Indeed, the first public challenge to its reputation has been the investigation of the firm for engaging in what the United States Government calls "a massive tax evasion scheme."

For almost a year and a half, Government prosecutors have been trying to determine whether Marc Rich A.G. charged an artificially high price for oil sold to its United States subsidiary in order to reduce the sub-



Fortune Magazine

The elusive Marc Rich, seen recently at his home near Zug, Switzerland.

sidary's 1980 income taxes. Led by an Assistant United States Attorney, Morris Weinberg Jr., the prosecutors have subpoenaed hundreds of thousands of Marc Rich documents, including telexes, bank statements, accounting records and interoffice correspondences.

The Rich companies have resisted the subpoenas. At first, Marc Rich A.G. officials argued that they did not have to comply because the firm is Swiss-based. Then, last Monday, they said that Marc Rich A.G. could not comply because Swiss authorities, citing that country's strict laws on corporate secrecy, had seized some of the requested papers.

Requests for Extensions

Until recently, Federal District Judge Leonard B. Sand seemed willing to accommodate Marc Rich A.G.'s requests for extensions to deadlines for producing the papers.

But in late June, Judge Sand began to put pressure on Marc Rich for the documents. On June 29, he found the company in contempt of court and levied a \$50,000-a-day fine on Marc Rich A.G. until the subpoenaed documents had been surrendered.

On Aug. 5 it had appeared that the case was close to resolution when Marc Rich A.G. agreed to turn over the documents by the next day in return for the Government's agreement to lift a freeze on some of Marc Rich A.G.'s assets in the United States.

But the dramatic late-night airport seizure last week of two steamer trunks crammed with documents subpoenaed from Marc Rich A.G.'s domestic unit has cast fresh doubt on the firm's good will, Government prosecutors charge. They grabbed the trunks and their courier after

Continued on Page D18

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/91 BY SP3 JC/mas

196A-1774-

SEARCHED	INDEXED
SERIALIZED <u>17</u>	FILED <u>16</u>
AUG 13 1983	
FBI-NEW YORK	

125

10.53

FBI

TELETYPE

ROUTINE

UNCLAS

8/19/83

Verbal FR 645-2005

JMR.

b6
b7C

Francis

ROUTINE

NEW YORK (196A-1774) () (P) () (M-1)

ROUTINE

~~DIRECTOR FBI~~ (196B-2848) 0208.~~NEW HAVEN~~ () 2315

BT

UNCLAS

MARC RICH, DOING BUSINESS AS MARC RICH AND COMPANY; PINCUS GREEN;
[REDACTED] FBW-ENERGY RELATED; OO: NEW YORKb6
b7C

UNITED STATES ATTORNEY (USA), SOUTHERN DISTRICT OF NEW YORK
(SDNY), REQUESTS SPECIAL AGENT (SA) [REDACTED] TRAVEL TO NEW
YORK, BEGINNING [REDACTED] FOR A MINIMUM OF ONE (1) WEEK. SA
[REDACTED] ASSISTANCE IS NECESSARY FOR DETAILED REVIEW OF [REDACTED]
[REDACTED] CAPTIONED MATTER IS A HIGHLY COMPLEX TAX EVASION SCHEME,
AND DUE TO [REDACTED] FAMILIARITY WITH THE CASE FOR NEARLY TWO (2)
YEARS, ASSISTANT UNITED STATES ATTORNEY (AUSA) FEELS [REDACTED]

b3
b6
b7C
b7E

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCM/mg

196A 1774-126

1 - New York
1 - Supervisor M-1
MEB:mej013V1
(2)

b6
b7C

AUG 2 1983

Approved: LPL/mmp-3 Transmitted 138/329 Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: MMR

[REDACTED]

WITH

b7E

HIS INPUT.

ASSISTANT DIRECTOR IN CHARGE (ADIC), NEW YORK; AND SPECIAL
AGENT IN CHARGE (SAC), NEW HAVEN CONCUR.

REQUEST FEDERAL BUREAU OF INVESTIGATION HEADQUARTERS (FBIHQ)
APPROVAL.

VZCZCNYC329

RR HQ NH

IE NY #0138 2312322

ZNY UUUUU

R 192158Z AUG 83

FM FBI NEW YORK (196A-1774) (P) () (M-1)

TO DIRECTOR FBI (196B-2848) ROUTINE

FBI NEW HAVEN ROUTINE

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mr

MARC RICH, DOING BUSINESS AS MARC RICH AND COMPANY; PINCUS GREEN;

[REDACTED] FEW-ENERGY RELATED; OO: NEW YORK

b6
b7C

UNITED STATES ATTORNEY (USA), SOUTHERN DISTRICT OF NEW YORK
(SDNY), REQUESTS SPECIAL AGENT (SA) [REDACTED] TRAVEL TO NEW
YORK, BEGINNING [REDACTED] FOR A MINIMUM OF ONE (1) WEEK. SA

[REDACTED] ASSISTANCE IS NECESSARY FOR DETAILED REVIEW OF [REDACTED]
. CAPTIONED MATTER IS A HIGHLY COMPLEX TAX EVASION SCHEME,
AND DUE TO [REDACTED] FAMILIARITY WITH THE CASE FOR NEARLY TWO (2) YEARS, ASSISTANT UNITED STATES ATTORNEY (AUSA) FEELS [REDACTED]

b3
b6
b7C
b7E

196A-1774-126
AUG 3 1983

PAGE TWO DE NY 0138 UNCLAS

[REDACTED] WITH

b7E

HIS INPUT.

ASSISTANT DIRECTOR IN CHARGE (ADIC), NEW YORK; AND SPECIAL
AGENT IN CHARGE (SAC), NEW HAVEN CONCUR.

REQUEST FEDERAL BUREAU OF INVESTIGATION HEADQUARTERS (FBIHQ)
APPROVAL.

BT

#0138

VZGZCHQ0541

PP NH NY

DE HQ #0083 2352229

ZNR UUUUU

P 231721Z AUG 83

FM DIRECTOR FBI (196B-2843)

TO FBI NEW HAVEN PRIORITY

FBI NEW YORK (196A-1774) PRIORITY

BT

UNCLAS

MARC RICH, DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW-ENERGY RELATED; OO: NY

RENYTEL TO THE DIRECTOR, DATED AUGUST 19, 1983.

RENYTEL REQUESTED BUREAU APPROVAL FOR TRAVEL OF SA

[REDACTED] FROM NEW HAVEN TO NEW YORK, THE WEEK OF

b3
b6
b7C

[REDACTED] FOR RECORD REVIEW IN THIS MATTER.

TRAVEL IS APPROVED.

BT

#0083

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP3 JC/mr

b6
b7C

m-1

196A-1774-127

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 24 1983	
FBI - NEW YORK	

NNNN

Pls. advise
of above
Muf 3
8/24/83

VZCZCHQ0541

PP NH NY

DE HQ #0083 2352229

ZNR UUUUU

P 231721Z AUG 83

FM DIRECTOR FBI (156B-2648)

TO FBI NEW HAVEN PRIORITY

FBI NEW YORK (196A-1774) PRIORITY

BT

UNCLAS

MARC RICE, DBA MARS RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBI-ENERGY RELATED; OO: NY

RENYTEL TO THE DIRECTOR, DATED AUGUST 19, 1983.

RENYTEL REQUESTED BUREAU APPROVAL FOR TRAVEL OF SA

[REDACTED] FROM NEW HAVEN TO NEW YORK, THE WEEK OF

[REDACTED], FOR RECORD REVIEW IN THIS MATTER.

b3
b6
b7C

TRAVEL IS APPROVED.

BT

#0083

196A-1774-128

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 J/m

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 1983	
FBI-NEW YORK	
[initials]	

NNNN

196A-1774-128

SEARCHED	INDEXED
SERIALIZED <i>fw</i>	FILED <i>fw</i>
AUG 20 1983	
FBI-NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLAS
DATE 2/21/01 BY SP5 JCM

Finance

MONEY & BANKING

HOW THE MARC RICH CASE SHAKES THE SECRET WORLD OF THE GLOBAL TRADERS

The tax troubles of Marc Rich & Co., the upstart Swiss concern, have turned an uncomfortable spotlight on the shadowy world of international trading companies. Not the least of the threats to the trading community as a result of the still unfolding affair is the prospect that U.S. tax collectors will methodically peel away the secrecy that has been an indispensable feature of traders' dealings.

But the way that global traders do business is changing dramatically in other ways, too. Such factors as flexible exchange rates, lightning-fast electronic communications, and disruptive political embargoes on transactions that are their lifeblood are crimping the ability of these giants—some of which trace their lineage to the great European colonial empires—to cope deftly and profitably with wars, revolutions, or droughts.

Most of the world's big trading companies (table) are privately held and guard their inner workings as if they were state secrets. "The reason so little is known about international trading operations is that the boundaries between the U.S. and the rest of the world are much less delineated for them," says a consultant whose clients range from Exportkhleb (the Soviet grain trading company) to Texas oilman Nelson Bunker Hunt. "The whole area is so legally foggy and the competition is so stiff that it is inherently a very secretive business."

Not only secretive, but clannish. Marc Rich, a Belgian-born immigrant to the U.S., was viewed as an interloper when he started his own company in 1974 after leaving Philipp Bros., now the trading arm of Phibro-Salomon Inc. But Rich had evidently learned his lessons well. In the wake of the Iran-related upheavals in the Middle East, it was his firm that secured crude oil and sold it for a hefty profit to oil majors whose supply lines had been severed. When tin prices plummeted in the early 1980s, Marc Rich stepped in as agent for Malaysia's state-controlled tin company, buying and stockpiling to push up prices.

Today, Marc Rich and its affiliates annually turn over \$10 billion worth of crude and oil products, metals, minerals, and foodstuffs. Assets total some \$1 bil-

lion, and 1,000 employees are scattered around the world in 40 nations. But the U.S. probe has dealt this empire a serious blow. Many of Marc Rich's trading partners and clients have reduced their exposure to the company. "Justly or not, many trading houses have cut their trading limits with Marc Rich by 50% or even 80%," says a Geneva broker.

order to cut its 1980 U.S. taxes by more than \$20 million.

The outcome is vitally important to more companies than Marc Rich. By their very nature, trading companies conduct business simultaneously in dozens of different countries, serving as the link between a copper producer in Chile, for example, and a refiner such as Ken-

A GUIDE TO THE BIG INTERNATIONAL TRADERS

Company	Headquarters	Specialty
Associated Metals & Minerals	New York	Metals, ores
Cargill	Minnetonka, Minn.	Grain
Clarendon	New York	Oil, metals
Continental Grain	New York	Grain
Louis Dreyfus	Paris	Grain
East Asiatic	Copenhagen	Manufactures, metals
Jardine Matheson	Hong Kong	Oil, agricultural
Metallgesellschaft	Frankfurt	Metals, ores
Mitsubishi	Tokyo	Manufactures, raw materials
Mitsui	Tokyo	Manufactures, raw materials
Philipp Bros.	New York	Metals, oil
Marc Rich	Zug, Switzerland	Oil, metals, agricultural

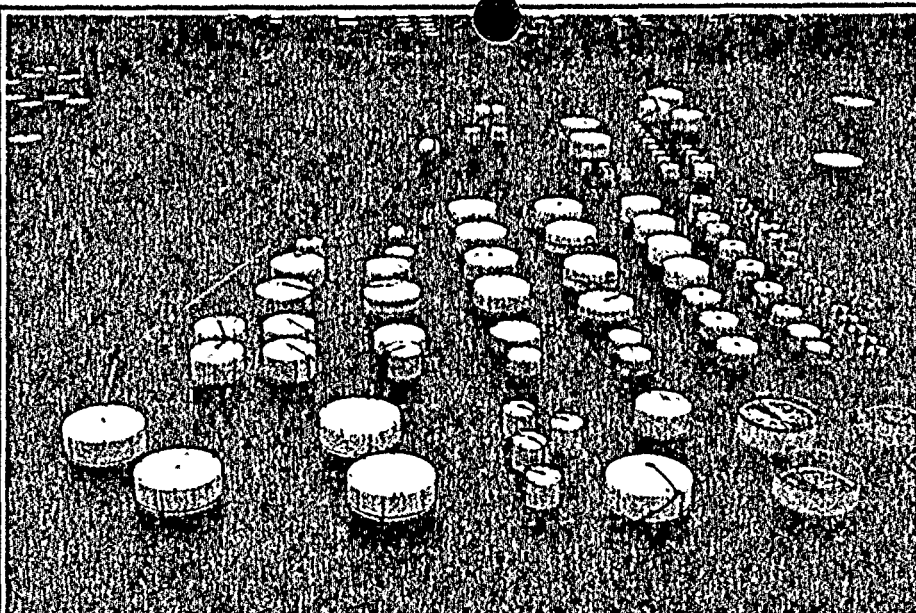
Willy Strathotte, president of Clarendon Ltd., which was Marc Rich's U.S. subsidiary until it was sold to some former employees in July, says the bulk of lost business stems from confusion over restraining orders that were sent to the Swiss company's clients and banks in the U.S. "A company of less size and importance might not have survived. People were essentially afraid of being stuck in the middle of a conflict between the government and [Marc Rich]," he says. The orders were rescinded after Marc Rich agreed to produce subpoenaed documents and pledged its U.S. oil properties and its 50% interest in Twentieth Century-Fox Film Corp. as collateral against any fines.

NOT JUST MIDDLEMEN. The firm's meteoric rise to prominence in oil trading was to some extent its undoing. In response to an industrywide Energy Dept. oil-pricing probe, Marc Rich's U.S. unit in 1982 turned over the documents that have become the fodder for the tax case, Strathotte told BUSINESS WEEK. Now a grand jury is examining whether Marc Rich overcharged its U.S. subsidiary for oil in

necott Corp. or an end-user such as Westinghouse Electric Corp. International trading is a low-margin, high-volume business that is heavily dependent on the expertise of individual traders.

A trader's knowledge of a commodity and what affects its price is crucial. A fraction-of-a-cent difference in the bid and offered prices—which can change at any moment—may amount to a fortune in multimillion-dollar commodity deals. In business contacts, adds Clarendon's Strathotte: "The reputation of the individual is key. When clients think of Clarendon and aluminum, they think of the man who's handling aluminum much more than of the company."

Trading companies do far more than merely act as middlemen in commodity deals. Traditionally, trading concerns have accepted the risk of owning commodities—and that risk has increased dramatically in the past decade of heightened price volatility, floating currencies, and high interest rates. "The international trader bridges the gap between the necessities of a producer and a consumer," says a trading company



USING THE FUTURES MARKETS TO HEDGE AGAINST PRICE VOLATILITY IS VITAL IN THE HIGH-VOLUME, LOW-MARGIN BUSINESS OF TRADING COMMODITIES SUCH AS OIL

official. "A trading company that is marketing a commodity in scores of countries is in a much better position to absorb inventory risk." In addition, large trading operations will often finance, say, the startup of a mining operation in South America.

ACROSS NATIONAL BORDERS. Other vast changes are overtaking global trading. New futures contracts in metals, oil, and financial instruments permit hedging against price volatility on a far broader scale. The drawback is that such price protection reduces potential profit. Marc Rich was recently rumored to be reeling from a big loss in Swiss-franc futures. But a company officer shrugs it off, noting that Marc Rich actively uses the markets to hedge.

The electronic dissemination of information has also made it harder for global traders to "scoop" their competitors on news events that affect prices. The Chicago Mercantile Exchange plans an electronic hookup with Singapore's gold exchange that could signal the beginning of around-the-clock trading on organized exchanges. That, says Philip M.

Johnson, former chairman of the Commodity Futures Trading Commission (CFTC), is "a wonderful business idea that will bring the laws of different countries into direct contact on a daily basis.... The possibilities of confusion are magnified immensely."

The ability of trading companies to do business across national borders goes a long way toward explaining their penchant for secrecy. Although many of the trading giants are based in such commerce centers as London, New York, and Hong Kong, the location of their headquarters is more a matter of tradition or expedience than of national ties. For Michel Fribourg, whose family has controlled Continental Grain Co. for generations and who travels frequently between the U.S. and Europe, "headquarters is in his head," observes Harald B. Malmgren, an international trade specialist. He says that transactions are so complex and fast-paced that it would be virtually impossible for trading companies to operate if they were under constant scrutiny.

And that is the crux of the Marc Rich episode. In general, the U.S. government recognizes that commodities are interchangeable and that trading companies play a vital role. But it does step in when it feels that a company has used its foreign operations to circumvent U.S. law. A federal grand jury indictment unsealed in mid-August, for example, accuses Cook International Inc. of tax fraud by making "sham sales" and "sham purchases" of soybeans through a Swiss subsidiary, Maecom. The ramifications in the Marc Rich case are likely to be more far-reaching, however. Cook was headquartered in Memphis, and though once a major power in U.S. grain exporting, it was forced to sell out

to Mitsui & Co. in 1978 after a disastrous fling in soybean speculation.

Marc Rich, by contrast, is based in Switzerland, whose laws bar turning over Swiss economic documents to other nations. The firm's brand-new office building in Zug has been dubbed "the Dallas building" by the village's 23,000 inhabitants, who associate the blue-tinted glass structure with the popular television series. As of Jan. 1, the Swiss Bilateral Judicial Assistance Treaty covers tax fraud, but that country is irked by the U.S. government's failure to invoke the treaty and its use of what Switzerland considers underhanded methods to get Swiss documents.

'CRASH COURSE.' The ripples from Marc Rich reach beyond Switzerland. A British government source says the case bears "certain interesting parallels" to the CFTC's effort to obtain documents of Alan J. Ridge & Co., a London coffee trader that was the first company to which Britain applied its 1980 Protection of Trading Interests Act. "If [Ridge] had yielded up its documents, it would have blown its business worldwide because its commercial confidentiality would have been compromised," he adds.

An executive of British Petroleum Co., which has had extensive dealings with Marc Rich, views the U.S. case as "an attempt to push U.S. laws on the rest of the world. This line of action does nothing but handicap companies in their worldwide dealings, and it robs the market of a major player." Strathotte insists that most of the company's clientele is equally sympathetic. Still, he says: "This [case] has really been a catch-22. After undergoing a crash course in the American judiciary system in the past several weeks, I wouldn't put my money on any of my predictions."

196A-1774-129

FBI
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 SC/MB

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 31 1983	
FBI-NEW YORK	

B

2002 NO.

[redacted] :ets

b6
b7C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TO

[redacted]
b3

GREETINGS:

WE COMMAND YOU that all business and excuses being laid aside, you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, on the [redacted] to testify and give evidence in regard to an alleged violation of :

[redacted]
b3

and not to depart the Court without leave thereof, or of the United States Attorney, and that you produce at the time and place aforesaid the following:

For the period of [redacted]
[redacted]

b3

And for failure to attend and produce the said documents you will be deemed guilty of contempt of Court and liable to penalties of law.

Dated: New York, N.Y.
August 29, 1983

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Burghardt

Clerk.

NOTE: REPORT AT ROOM 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

[redacted]
Assistant United States Attorney
Telephone: [redacted]

b6
b7C

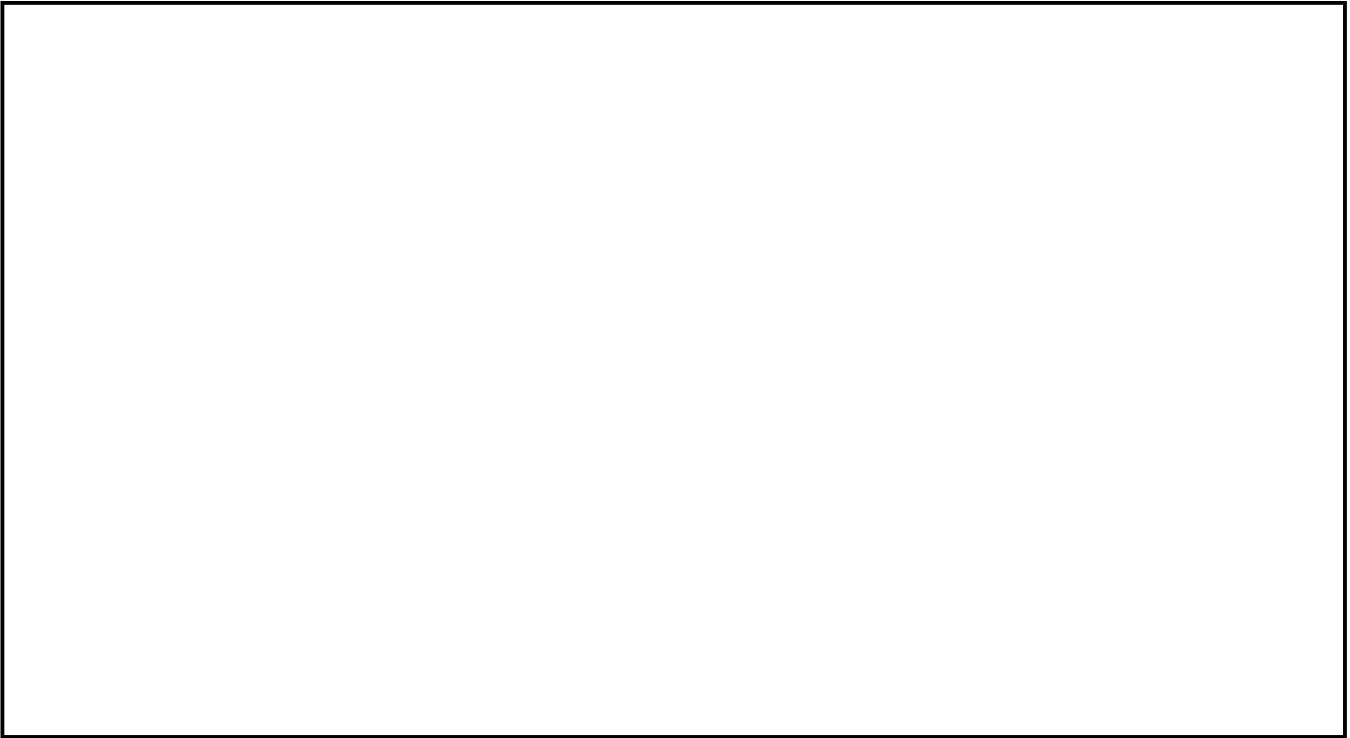
Room [redacted]
One St. Andrew's Plaza
New York, New York 10007

ec

Subpoena A

b6
b7C

EXHIBIT 1



b3

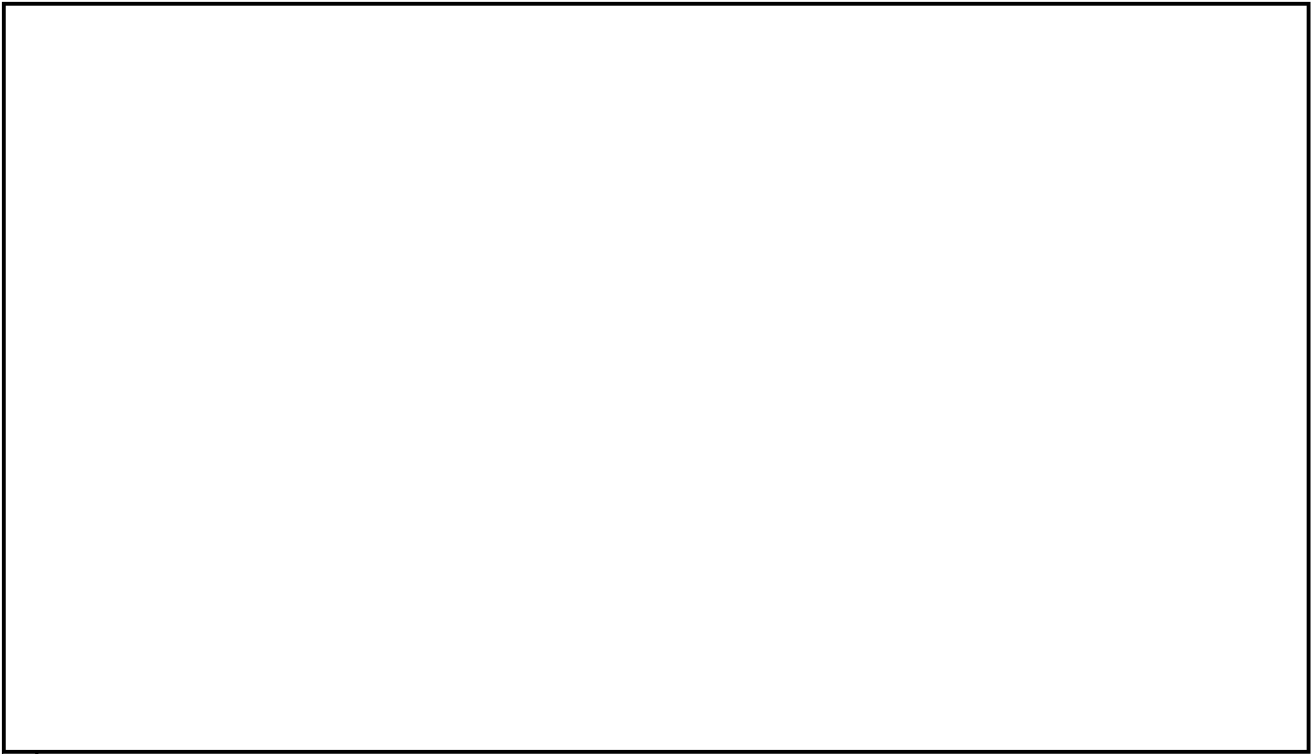
ec

[Redacted]

Subpoena

b6
b7C

EXHIBIT 2



.b3

196A-1774-128A

FBI
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCM/ST

SEARCHED	INDEXED
SERIALIZED <i>fw</i>	FILED <i>fw</i>
AUG 31 1983	
FBI-NEW YORK	

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO



b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside; you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the

to testify and

give evidence in regard to an alleged violation of

b3

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y.

b3

Rudolph W. Giubani
United States Attorney for the
Southern District of New York

Raymond F. Burghardt
Clerk.

Note: Report at Room 450. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 450, upon each day on which you attend Court as a witness.

Assistant U.S. Attorney

b6
b7C

Room

One St. Andrews Plaza
N.Y.N.Y.

ADVICE OF RIGHTS

1. YOU MAY REFUSE TO ANSWER ANY QUESTION IF A TRUTHFUL ANSWER TO THE QUESTION WOULD TEND TO INCRIMINATE YOU.
2. ANYTHING THAT YOU DO SAY MAY BE USED AGAINST YOU BY THE GRAND JURY OR IN A SUBSEQUENT LEGAL PROCEEDING.
3. IF YOU HAVE RETAINED COUNSEL, THE GRAND JURY WILL PERMIT YOU A REASONABLE OPPORTUNITY TO STEP OUTSIDE THE GRAND JURY ROOM TO CONSULT WITH COUNSEL IF YOU SO DESIRE.

b6
b7C



Precedence Price, TX

To: SAC, HOUSTON (196B-881)
From: ADIC, New York (196A-1774) (m-1)
Subject: MARC Rich; dba
MARC Rich and Company
PBW-energy related

Date: 8/29/83

Time: Transmitted - 1840Z

Initials - SN
REC'D - GM

☐ Artists Conception

b6
b7C

☒ Other

Special handling instructions:

call SA

- New York for background info.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mr

Approved: L/C

OPEN BLACKMAIL

by [REDACTED]

b6
b7C

(bold face intro)

THE SWISS TV OBSERVER NEUMANN SAID THE US THINKS THAT ALL COUNTRIES, BIG AND SMALL, MUST SUBVERT THEIR NATIONAL INTERESTS TO AMERICAN MEASURES. COMMENTING ON THE NEW ROUND OF AMERICAN-SWISS ECONOMIC CONTRADICTIONS."

(text)

Under the pretext of nonpayment of taxes by the Swiss branch of the Marc Rich firm, American authorities have given an ultimatum: either Switzerland changes its internal legislation or its companies will be deprived of admission to American markets. The local press evaluates this action by the Reagan administration as an open threat, an attempt to interfere into the internal affairs of Western European countries through the threat of economic sanctions. Recalling that this is not the first time that the Reagan administration has tried to dictate conditions to Switzerland, the newspaper Courrier said that the Americans are living under the illusion of a Pax Americana.

-30-

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5-JC/ra

196 A-1774-129

SEARCHED	INDEXED
SERIALIZED <i>fw</i>	FILED <i>fw</i>
AUG 31 1983	
FBI-NEW YORK	

16

Transmit attached by Facsimile - UNCLAS

Precedence

Priority

SSRA

To:

Newburg RA (196-New)

From:

ADIC, New York (196A-1774) (m-1)

Subject:

MARC Rich, dba.
MARC Rich and Company
Pincus Green
FSW-energy relatedDate: 8/27/835:00 PM

Time: Transmitted -

1246z DMW/PK

Initials -

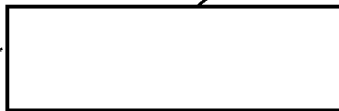
SP☐ Fingerprint Photo☐ Fingerprint Record☐ Map☒ Newspaper clipping☐ Photograph☐ Artists Conception

b6

b7C

☒ OtherSubpoena

Special handling instructions:

call SA-new York for background info.Approved: L/ASALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCF/may

FBI/DOJ

Memorandum



To : SAC, II (196B-1774) (P) (M-1)

Date 8/29/83

From : SUPERVISOR [redacted]

b6
b7C

Subject : MARC RICH, DBA;
MARC RICH AND COMPANY;
PINCUS GREEN:
[redacted]
FBW - ENERGY RELATED
(OO: NY)

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 SC/202

Captioned matter is a major joint investigation of the IRS, Customs and NYO, FBI. Indictment charging RICO, FBW, Mail and Tax Frauds is expected to be returned in mid-September, 1983. The case has received wide-spread media coverage and requires constant, periodic up-dates to FBIHQ.

Starting on [redacted] the law firm of [redacted] will send one lawyer and approximately 10 paralegal clerks to Room # 1633 at 26 Federal Plaza to review approximately [redacted]. The review will consist of [redacted].

b6
b7C
b3

Normally, this review would be done prior to surrender of any subpoenaed documents. However, due to Judge Sand's order the documents were turned over in mass.

AUSA [redacted] has requested an FBI clerical employee to be present during this review process for control purposes, since the documents are Grand Jury Material. AUSA [redacted] has stated this employee need not be familiar with the case and could possibly bring other work with him while performing this "security" duty. AUSA desires full-time COVERAGE cooperation of this review to insure Government custodial continuity.

b6
b7C
b3

It is estimated this task will take a minimum of four weeks, seven days a week, for approximately 14 hours per day. Specific times will be arranged with the law firm involved. The AUSA is concerned with expeditious completion.

196B-1774-130

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 31 1983	

- 1 - ASAC II
- 1 - SUPV. M-1
- 1 - 196B-1774

CC DESTROYED
8-2-83
Advised to [redacted]
Sawyer of [redacted]

b6
b7C

WTG:mms
(3)

[redacted]
EOD [redacted] - assigned to [redacted]
ASAC [redacted]

Approved
ASAC
9/29/83

Ph. Consultant with
Syn. [redacted] 8-30-83

NY 196B-1774
WTG:mms

of this review so that a Government review of these documents is possible.

In light of the foregoing, it is requested that clerical employees be assigned to observe and control the review. AUSA [redacted] should be contacted for access to Room # 1633 and for further instructions. NYO Case Agent is [redacted], NYO, ext. 2943 or 791-9199.

b6
b7C
b3

NYO 995 243 1333Z

RR HQ NH

DE NY 002

R 011300Z SEPT 83

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) RO UTINE

NEW HAVEN (196B-795) ROUTINE

BT

UNCLAS

ATTN: [REDACTED] HEADQUARTERS)

MARC RICH; DBA MARC RICH A ND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED; (OO: NY).

RENYTELETYPE TO BUREAU, AUGUST 19, 1983.

FOR INFO FBIHQ, APPROXIMATELY [REDACTED] ARE

NOW IN CUSTODY USA/FBI, NY PURUSANT TO COURT ORDER AND

SUBPOENA. EXACT SIGNIFICANCE OF ITEMS UNKNOWN EXCEPT USA,

FBI BELIEVE OF MAJOR IM PORTANCE. SOME DOCUMENTS IN RAW STATE

IN THAT THEY HAVE NOT YET BEEN REVIEWED BY [REDACTED]

b3

FOR PRIVILEGE AN D/OR NON-COVERAGE BY SUBPOENA. STARTING

[REDACTED] BEGAN SUCH REVIEW AND .

[REDACTED] IN NYO SPA CE. DOCUMENTS

INCLUDED [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JG/mg

196A-1774-131

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 1 1983	
FBI-NEW YORK	

PAGE TWO

NY 196A-1774

UNCLA S

[REDACTED] DOCUMENTS WILL HAVE TO BE PERUSED AND DETAILED

[REDACTED] ANALYSIS PREPARED WHERE NECESSARY.

ADDITIONALLY, IT HAS COME TO ATTENTION OF USA THAT [REDACTED]

[REDACTED] IN POSSESSION [REDACTED]

AUSA, SDNY, NEGOTIATING FOR REVIEW SAID DOCUMENTS. HOWEVER,

[REDACTED] REQUEST [REDACTED] DUE TO SIGNIFICANCE

OF THE RECORDS, IF AGREEMENT CAN BE REACHED, USA HAS REQUESTED

FORMER CASE AGENT, SA [REDACTED] TRAVEL TO [REDACTED]

IT IS PROJECTED TRAVEL WILL BE WEEK OF [REDACTED]

AUSA, SDNY INTENDS REQUEST FOR INDICTMENT BEFORE END OF SEPT.

INDICTMENT TENTATIVELY TO INCLUDE [REDACTED]

[REDACTED] BUREAU HAS NOTED HIGH IMPACT GIVEN BY MEDIA. TO DATE,

b6
b7C
b3
b7E

b3
b7E

[REDACTED]

[REDACTED] GRAND JURY SUBPOENA.

b3

DUE TO COMPLEXITY, NOTORIETY, SIGNIFICANCE AND SHORT TIME BEFORE INDICTMENT, AS WELL AS EXPERTISE OF FORMER CASE AGENT WHO WAS ASSIGNED MATTER TWO YEARS, IT IS REQUESTED SA [REDACTED] TEMPORARY ASSIGNMENT BACK TO NY BE EXTENDED TO MINIMUM OF ADDITIONAL 30 DAYS. FOR INFO OF FBIHQ, NYO, IN ADDITION TO SA [REDACTED] HAS ASSIGNED FULL-TIME ONE SAA CPA AND ONE ACCOUNTING TECHNICIAN AS WELL AS ADDITIONAL SAAS AS NEEDED.

b6
b7C

DUE TO LIMITED VEHICLE AVAILABILITY IN NYO, AND NECESSITY TO ASSIGN VEHICLE FOR EXCLUSIVE USE IN THIS CASE, AND TO ALLOW SA TO RETURN HOME ON WEEKENDS THEREBY KEEPING PER DIEM TO A MINIMUM, IT IS REQUESTED RENTAL VEHICLE BE AUTHORIZED.

TO REITERATE, FBIHQ APPROVAL REQUESTED FOR TRAVEL OF SA [REDACTED] [REDACTED] WEEK OF [REDACTED] IF USA OBTAINS AUTHORIZATION, MINIMUM 30 DAYS EXTENSION OF SA [REDACTED] AT NEW YORK AND RENTAL OF VEHICLE FOR MINIMUM 90 DAYS.

b6
b7C
b7E

SAC, CRIMINAL DIVISION, NYO CONCURS WITH REQUESTED FOREIGN TRAVEL AND BOTH SACS, NY AND NEW HAVEN CONCUR WITH 30-DAY

PAGE FOUR

NY 19 6A-1774

UNCLAS

EXTENSION OF SA AT NY.

b6
b7C

BT

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 8/31/83

002

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE 1333Z

NEW HAVEN (196B-795) ROUTINE 1335Z

BT

UNCLAS

ATTN: [REDACTED] HEADQUARTERS)

MARC RICH; DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED; (OO: NY).

RENYTELETYPE TO BUREAU, AUGUST 19, 1983.

FOR INFO FBIHQ, APPROXIMATELY [REDACTED] ARE

NOW IN CUSTODY USA/FBI, NY PURUSANT TO COURT ORDER AND

SUBPOENA. EXACT SIGNIFICANCE OF ITEMS UNKNOWN EXCEPT USA,

FBI BELIEVE OF MAJOR IMPORTANCE. SOME DOCUMENTS [REDACTED]

b3

IN THAT THEY HAVE NOT YET BEEN REVIEWED BY [REDACTED]

FOR PRIVILEGE AND/OR NON-COVERAGE BY SUBPOENA. STARTING

[REDACTED] BEGAN SUCH REVIEW AND

SEQUENTIAL [REDACTED]

SPACE
IN NYO SPECIAL. DOCUMENTS

INCLUDED [REDACTED]

1 - NEW YORK

1 - SUPV. M-1

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/11/01 BY SP5 SC/may

GJL:mms

(2)

Approved: LFL/FBI

Transmitted _____

(Number)

(Time)

Per _____

196A-1774-131

SEARCHED PA INDEXED PA

SEP 2 1983

[REDACTED]

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196a-1774

UNCLAS

DOCUMENTS WILL HAVE TO BE PERUSED AND DETAILED

ANALYSIS PREPARED WHERE NECESSARY.

ADDITIONALLY, IT HAS COME TO ATTENTION OF USA THAT _____

IN POSSESSION _____

AUSA, SDNY, NEGOTIATING FOR REVIEW SAID DOCUMENTS. HOWEVER,

REQUEST _____ DUE TO SIGNIFICANCE

OF THE RECORDS, IF AGREEMENT CAN BE REACHED, USA HAS REQUESTED

FORMER CASE AGENT, SA _____ TRAVEL TO _____

IT IS PROJECTED TRAVEL WILL BE WEEK OF _____

AUSA, SDNY INTENDS REQUEST FOR INDICTMENT BEFORE END OF SEPT.
INDICTMENT TENTATIVELY TO INCLUDE _____

BUREAU HAS NOTED HIGH IMPACT GIVEN BY MEDIA. TO DATE,

b6
b7C
b3
b7E

b3
b7E

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

NY 196A-1774

UNCLAS

 GRAND JURY SUBPOENA.

DUE TO COMPLEXITY, NOTORIETY, SIGNIFICANCE AND SHORT TIME BEFORE INDCITMENT, AS WELL AS EXPERTISE OF FORMER CASE AGENT WHO WAS ASSIGNED MATTER TWO YEARS, IT IS REQUESTED SA _____ TEMPORARY ASSIGNMENT BACK TO NY BE EXTENDED TO MINIMUM OF ADDITIONAL 30 DAYS. FOR INFO OF FBIHQ, NYO, IN ADDITION TO SA _____ HAS ASSIGNED FULL-TIME ONE SAA CPA AND ONE ACCOUNTING TECHNICIAN AS WELL AS ADDITIONAL SAAS AS NEEDED.

DUE TO LIMITED VEHICLE AVAILABILITY IN NYO, AND NECESSITY TO ASSIGN VEHICLE FOR EXCLUSIVE USE IN THIS CASE, AND TO ALLOW SA TO RETURN HOME ON WEEKENDS THEREBY KEEPING PER DIEM TO A MINIMUM, IT IS REQUESTED RENTAL VEHICLE BE AUTHORIZED.

TO REITERATE, FBIHQ APPROVAL REQUESTED FOR TRAVEL OF SA _____
 _____ WEEK OF _____ IF USA OBTAINS
 AUTHORIZATION, MINIMUM 30 DAYS EXTENSION OF SA _____ AT NEW YORK
 AND RENTAL OF VEHICLE FOR MINIMUM 90 DAYS.

SAC, CRIMINAL DIVISION, NYO CONCURS WITH REQUESTED _____
 TRAVEL AND BOTH SACS, NY AND NEW HAVEN CONCUR WITH 30-DAY

b3

b6
b7Cb6
b7C
b7E

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE FOUR

NY 196A-1774

UNCLAS

EXTENSION OF SA AT NY.

BT

b6
b7C

#

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

Memorandum



To : SAC, II (196A-1774) (P) (M-1)

Date 9/2/83

From : SUPERVISOR [REDACTED]

b6
b7C

Subject : MARC RICH, DBA;
MARC RICH AND COMPANY;
PINCUS GREEN:

b6
b7C

[REDACTED]
FBW -ENERGY RELATED
(OO: NY)

Remymemo, 8/29/83.

On [REDACTED] contact was made with [REDACTED] Attorney,
[REDACTED] He advised that he will
be conducting and overseeing the review of the documents.

b6
b7C
b3

The documents will be reviewed as follows:

First [REDACTED] second, [REDACTED]
[REDACTED] and third, [REDACTED] that are
designated as [REDACTED] He would
like the review to take place from 9:00 a.m. to 9:00 p.m., Monday -
Friday; excluding weekends. Weekends will only be worked if
necessary.

b3

The review will consist of the following process:
The documents will be sequentially numbered at Room 1633, 26
Federal Plaza; next, they will be sent to Tyrell, 115 Greenwich
St., New York, NY, for xeroxing. They will be sent back to
Room 1633, 26 Federal Plaza where xeroxing will be verified and
the privilege review will take place. As this procedure is
completed, production of the documents to the Government will
begin.

The above procedure was acceptable to AUSA [REDACTED]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 SC/maz

① - 196A-1774
1 - Supv. M-1

WTG:mms
(3)

b6
b7C

196A-1774-132

SERIALIZED	fw	FILED	fw
SEP 2 1983			
[REDACTED] YORK			

Transmit attached by Facsimile - UNCLAS

Precedence

Priority

SSRA

To:

Newburg RA (196-NEW)

From ADIC, New York (196A-1774) (m-1)

Subject: MARC Rich, aka

MARC Rich and Company
Pence Green

FBW-energy related

☐ Fingerprint Photo

☐ Fingerprint Record

☐ Map

☐ Newspaper clipping

☐ Photograph

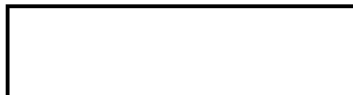
☐ Artists Conception

☒ Other

Subpoena

Special handling instructions:

Call SA



- New York for background info

b6

b7C

b6

b7C

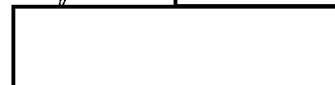
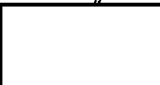
Approved: L/A/S

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

FBI/DOJ

9/1/83 - Subpoena

left w/



at request of AVSA



adv he

had talked to



city & they

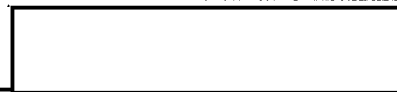
were arranging an
interview.

b6
b7C
b3

Received
NRA
5:00 PM
8/29/83
DMW

Assign
lead.

9/1/83 -

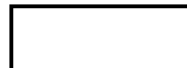


W/R

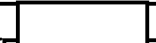
adv



live there.



moved



ago.

Phone # for



not there.

Don't know where he

lives.

Placed



in Driveway

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 30 1983	
FBI - NEW ROCHELLE	



Red

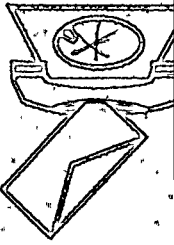
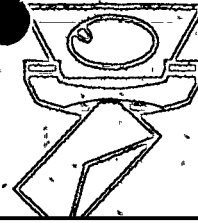
b6

b7C

196A-1774-133



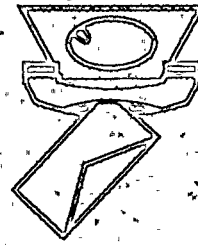
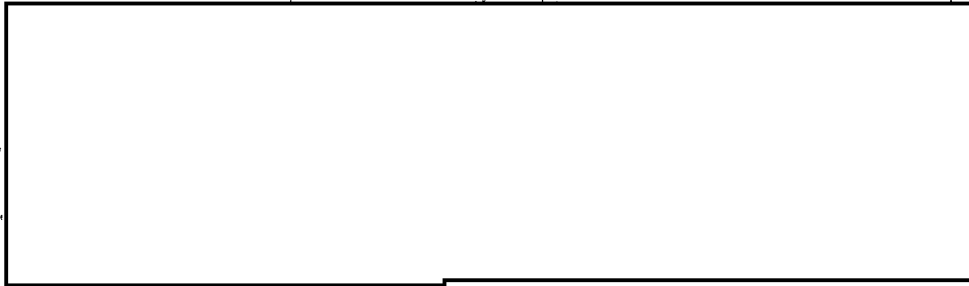
b6
b7C



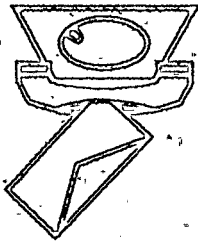
70



Sub.



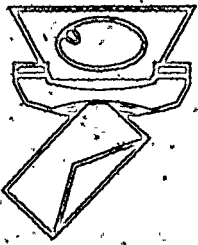
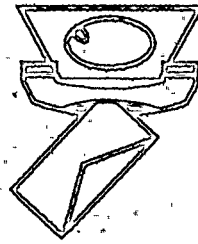
b6
b7C



79



Sub.



Memorandum



To : SAC, NEW YORK (196A-1774)
Attn: Supv. M-1

Date 9/2/83

From : SA [redacted] NRA

b6
b7C

Subject : MARC RICH dba Mark Rich
and Company
ET AL
FBW-ENERGY RELATED

Re NYO Facsimile and copy of subpoena dated 8/29/83.

On 9/1/83 inquiry was made by the writer at [redacted]
[redacted] to locate and serve [redacted]
[redacted] advised that [redacted] moved from that address
[redacted] ago and she did not know his present address.

b6
b7C
b3

The 1983 Cross Reference Directory for [redacted]
reflected that the telephone number for [redacted] on referenced
subpoena came back to him at [redacted]

b6
b7C
b3

On same date went to [redacted] Was advised
by [redacted] that [redacted] was not home. She stated that
[redacted] attorney had contacted AUSA [redacted] SDNY,
on 8/31/83 and they were attempting to arrange a meeting
between [redacted] and AUSA [redacted] Telephonically
contacted [redacted] who corroborated this. He requested that
the copy of the subpoena be left with [redacted] This was done.

b6
b7C
b3

The above set forth for case agent's info as it is not
known whether he was aware of [redacted] contact with [redacted]
attorney.

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/may

1-NY
TEO:teo

196A-1774-134

SEARCHED	INDEXED
SERIALIZED	FILED
1983	
FBI - NEW ROCHELLE	

NYO
M-1
a.

[redacted] B
K.a

b6
b7C

VZCZCHQ0003

RR NH NY

DE HQ #0031 2491930

ZNR UUUUU

R 061645Z SEP 83

FM DIRECTOR FBI

TO FBI NEW YORK (196A-1774) (M-1) ROUTINE

FBI NEW HAVEN ROUTINE

BT

UNCLAS

MARC RICH; DBA MARC RICH & COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW; ENERGY RELATED; OO: NEW YORK

RE NY TELETYPE TO THE DIRECTOR, 9/1/83.

NEW YORK'S REQUEST FOR FORMER CASE AGENT [REDACTED] -NEW

b6
b7C

HAVEN DIVISION TO BE ASSIGNED TO THE NEW YORK DIVISION FOR A MAX-
IMUM OF 30 DAYS IS APPROVED.

NEW YORK'S REQUEST TO PERMIT SA [REDACTED] TO UTILIZE A RENTAL
VEHICLE WHILE TEMPORARILY ASSIGNED TO THE NEW YORK DIVISION IS
NOT APPROVED.

b6
b7C

BT

#0031

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/0 BY SP5 JC/mg

b6
b7C

196A-1774-135

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 1 1983	
[REDACTED]	

13

VZCZCHQ0435

RR NY NY

DE HQ #0031 2401930

ZNR UUUUU

R 061845Z SEP 63

FM DIRECTOR FBI

TO FBI NEW YORK (106A-1774) (4-1) ROUTINE

FBI NEW HAVEN ROUTINE

BT

UNCLAS

MARC RICH; DBA MARC RICH & COMPANY; PINGUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBI; FREELY RELATED; OO: NEW YORK

RE NY TELETYPE TO THE DIRECTOR, 9/1/63.

NEW YORK'S REQUEST FOR NORMAL CASE ATTENT [REDACTED] NEW

b6
b7C

HAVEN DIVISION TO BE ASSIGNED TO THE NEW YORK DIVISION FOR A 44Y-
IMUM OF 30 DAYS IS APPROVED.

NEW YORK'S REQUEST TO PERMIT SA [REDACTED] TO UTILIZE A RENTAL
VEHICLE WHILE TEMPORARILY ASSIGNED TO THE NEW YORK DIVISION IS
NOT APPROVED.

b6
b7C

BT

#0031

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCD/mj

196A-1774-1335

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 04 1963	

[REDACTED]

b6
b7C

FBI

TRANSMIT VIA: -

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/9/83

026

FM NEW YORK (196A-1774) (P) (M-1)

~~TO DIRECTOR (196B-2848)~~ 0056

BT

UNCLAS

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT, BUREAU)

MARC RICH; DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED (OO: NY)

RENYTEL TO BUREAU, SEPTEMBER 1, 1983; AND FBIHQ TELCALL
 TO NY, SEPTEMBER 9, 1983.

PURPOSE OF TELETYPE TO KEEP FBIHQ ADVISED OF DEVELOPMENTS
 IN CAPTIONED.

ON SEPTEMBER 8, 1983, AUSA [REDACTED] SDNY, ADVISED
 THAT NEGOTIATIONS WITH [REDACTED] HAD BROKEN DOWN. SA

[REDACTED] TRAVEL TO [REDACTED] NOT NECESSARY. APPARENTLY,

[REDACTED] WILL NOT RECOGNIZE U.S. SUBPOENA AUTHORITY.

A TREATY REQUEST WILL BE NECESSARY. STATE DEPARTMENT EXPECTED
 TO MAKE A PRESS RELEASE ON SEPTEMBER 10, 1983 REGARDING
 NEGOTIATIONS.

① - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP3 SC/mj

196A-1774-136

b6
b7C
b3
b7EApproved: C/10Transmitted 11

(Number)

(Time)

Per *2

FBI

TRANSMIT VIA: .

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

DURING WEEK OF SEPTEMBER 19, 1983, OR SEPTEMBER 26, 1983, INDICTMENT OF MARC RICH, PINCUS GREEN, MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA "CLARENDON LTD.", AND MARC RICH AND COMPANY, A.G. WILL BE FILED. INDICTMENT WILL CHARGE ONE COUNT RICO, ONE COUNT RICO CONSPIRACY, FOUR COUNTS MAIL FRAUD, 31 COUNTS WIRE FRAUD, TWO COUNTS TAX EVASION AND SIX COUNTS TRADING WITH ENEMY ACT VIOLATION. TOTAL EXPOSURE 285 YEARS AND \$405,000 IN FINES. A JOINT USA, FBI, IRS, CUSTOMS PRESS CONFERENCE WILL RELEASE ABOVE.

A SUPERCEEDING INDICTMENT EXPECTED TO BE FILED TO INCLUDE

AS WELL AS APPROXIMATELY AN ADDITIONAL \$200 MILLION OF EVADED U.S. PROFITS UTILIZING CHARGED RICO SCHEME. SOME OF WHICH MAY HAVE BEEN USED BY RICH TO PURCHASE 50% INTEREST IN CENTURY FOX MOVIE STUDIOS.

FBIHQ WILL BE KEPT ADVISED.

BT

b6
b7c

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0474 2530056

RR HQ

DE NY 026

R 092100Z SEP 83

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848)

BT

UNCLAS

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT, BUREAU

MARC RICH; DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED (OO: NY)

RENYTEL TO BUREAU, SEPTEMBER 1, 1983; AND FBIHQ TELCALL
TO NY, SEPTEMBER 9, 1983.

PURPOSE OF TELETYPE TO KEEP FBIHQ ADVISED OF DEVELOPMENTS
IN CAPTIONED.

ON SEPTEMBER 8, 1983, AUSA [REDACTED] SDNY, ADVISED
THAT NEGOTIATIONS WITH [REDACTED] HAD BROKEN DOWN. SA

b6
b7C
b3
b7E

[REDACTED] TRAVEL TO [REDACTED] NOT NECESSARY. APPARENTLY,

[REDACTED] WILL NOT RECOGNIZE U.S. SUBPOENA AUTHORITY.

A TREATY REQUEST WILL BE NECESSARY. STATE DEPARTMENT EXPECTED
TO MAKE A PRESS RELEASE ON SEPTEMBER 10, 1983 REGARDING
NEGOTIATIONS.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

196A-1774-134

ff ff

WC

PAGE TWO

NY 196A-1774

UNCLAS

DURING WEEK OF SEPTEMBER 19, 1983, OR SEPTEMBER 26, 1983, INDICTMENT OF MARC RICH, PINCUS GREEN, MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA "CLARENDON LTD.", AND MARC RICH AND COMPANY, A.G. WILL BE FILED. INDICTMENT WILL CHARGE ONE COUNT RICO, ONE CO UNT RICO CONSPIRACY, FOUR COUNTS MAIL FRAUD, 31 COUNTS WIRE FRAUD, TWO COUNTS TAX EVASION AND SIX COUNTS TRADING WITH ENEMY ACT VIOLATION. TOTAL EXPOSURE 285 YEARS AND \$405,000 IN FINES. A JOINT USA, FBI, IRS, CUSTOMS PRESS CONFERENCE WILL RELEASE ABOVE.

A SUPERCEEDING INDICTMENT EXPECTED TO BE FILED TO INCLUDE AS WELL AS APPROXIMATELY AN ADDITIONAL \$200 MILLION OF EVADED U.S. PROFITS UTILIZING CHARGED RICO SCHEME. SOME OF WHICH MAY HAVE BEEN USED BY RICH TO PURCHASE 5% INTEREST IN CENTURY FOX MOVIE STUDIOS.

FBIHQ WILL BE KEPT ADVISED.

BT

b6
b7c

When Nations' Laws Clash, Companies Are Caught in a Bind

Continued From First Business Page
seized in Iran, the United States responded by freezing Iranian assets not only in this country but also in overseas branches of United States-based banks. The governments of the foreign countries that were affected, albeit grudgingly, did not try to interfere with the freeze.

After the International Business Machines Corporation sued Hitachi Ltd., accusing it of stealing trade secrets, Hitachi filed its own suit in Japan. Hitachi contended that if any wrong were committed, it was done in Japan. Therefore, Hitachi argued,

the courts in Japan, not those in the United States, should hear the case.

Upon the collapse of Sir Freddie Laker's trans-Atlantic Skytrain service, the Justice Department started a grand jury investigation of possible price-fixing by British Airways and British Caledonian Airways. Britain objects to this investigation, and to a civil antitrust suit in which the British liquidator of Laker is suing the two British airlines in an American court, seeking triple damages, which are not available under British law.

Switzerland's highest court denied a request from the Securities

and Exchange Commission for the identity of investors involved in insider trading in connection with the \$2.5 billion takeover of the Santa Fe International Corporation by the Kuwait Petroleum Corporation. In Switzerland, insider trading is not a crime.

Washington's Basic Attitude

In all these cases, the main question is: Which country's laws should prevail? As a general rule, the United States believes it has jurisdiction over any commercial actions that either take place in this country or have

a substantial effect here.

"We do have different standards from other people, and in the past we have been able to get away with them," said Douglas Rosenthal, a former head of the Justice Department's foreign commerce section. He now represents British Caledonian Airways and is counsel to the Canadian Government on extraterritoriality.

"But these days," he added, "the United States doesn't have the overwhelming economic clout it used to, and other nations are protecting their own economic interests much more aggressively than they used to."

Other countries increasingly feel that the United States is overstepping its legitimate authority when it tries to impose its rules on corporations that have their headquarters abroad.

"There is a deep sense of anger in Great Britain and Europe about the pipeline debacle and a deep sense of dismay over the actions of the United States Justice Department in setting up a grand jury investigation of the Laker collapse," said Sir Michael Havers, England's Attorney General. "American extensions of jurisdiction have been inching forward, and I think it is a very dangerous develop-

Some American lawyers, however, take a different view.

"I don't think that the United States has been expanding its jurisdiction," said Thomas Barr, a New York lawyer who represents I.B.M. both in the Hitachi case and in the European Economic Community's antitrust action against the company. "I think the reason we're seeing more problems with extraterritorial jurisdiction is just that the world is getting smaller."

Role of International Courts

Deciding which country's laws are paramount is not easy. A country can not be forced to accept another country's ruling. Although there are international courts, they move very slowly. And since no nation can be forced to submit a case for resolution against its will, international courts rarely get a chance to hear major jurisdictional disputes.

"These are very difficult problems to resolve because there is no agreement in the international community on what the rules on extraterritorial jurisdiction ought to be," said Mr. Marcuss, the Washington lawyer. "Ultimately I think the resolution of these issues will have to be a matter for negotiation — and self-restraint."

Most international legal battles are resolved politically. Sometimes a settlement can be reached through negotiations, but sometimes it can't.

A few countries have adopted defensive legislation to protect themselves from American claims. Following a uranium antitrust action that Europeans regarded as unduly intrusive, both France and Britain passed laws forbidding the release of certain commercial information.

Last year's pipeline sanctions may have raised the level of resistance to American jurisdictional claims.

"The United States is paying heavily for the pipeline sanctions," said Mr. Rosenthal, the representative of British Caledonian Airways. "There is a feeling abroad that the U.S. was irrational and so outrageous with its sanctions that reasoning doesn't work any more and that the best tactic is to be strong and aggressive in resisting any American claims to extraterritorial jurisdiction."

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/2/01 BY SP5 SC/177

196A-1774-137

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 1 1983	
FBI-NEW YORK	

When Nations' Laws Clash

Typical Case At Marc Rich

By TAMAR LEWIN

Marc Rich & Company A.G., the Swiss-based commodity trading firm under investigation for possible United States tax evasion, is in a classic double bind.

The company cannot give American prosecutors many of the documents they have subpoenaed because the Swiss Government has seized them to make sure their release would not violate the corporate secrecy laws of Switzerland. But every day that goes by without Marc Rich turning over the documents means that it must pay another \$50,000 fine because it is in contempt of court in the United States. Some Marc Rich documents, two trunks full, were seized in New York by American authorities.

Marc Rich is not alone in facing such a dilemma. In the global marketplace, more and more companies have become involved in legal conflicts ranging from antitrust enforcement to trade secrets.

Diverse Ideas About Behavior

The laws governing business are largely an expression of a country's ideas about desirable commercial behavior. But other countries may have conflicting ideas — and conflicting laws.

"The drift toward more confrontation is clear," said Stanley Marcuss, a Washington lawyer and former Assistant Secretary of Commerce. "I think it's largely because of the multinational phenomenon. So many companies have foreign subsidiaries that commerce is bound to involve a lot of different national interests."

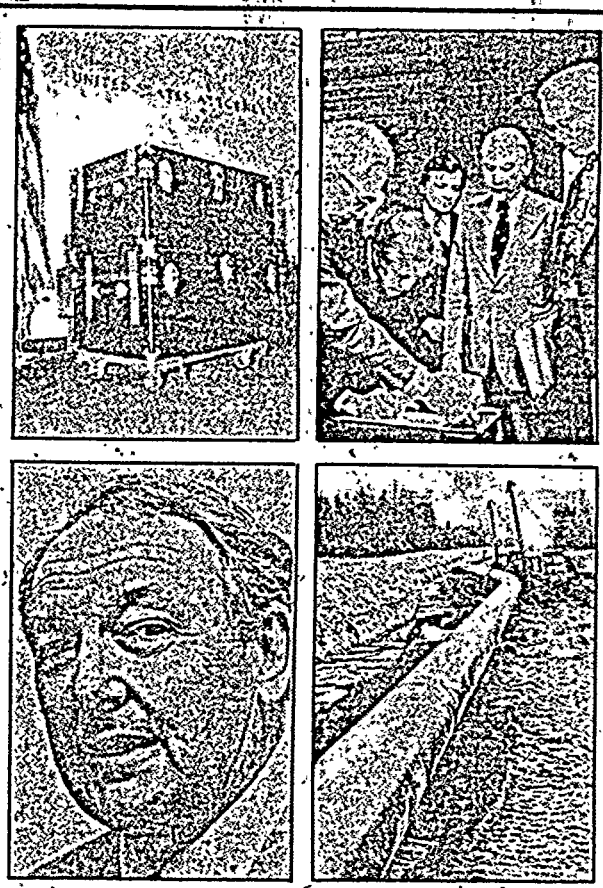
These international confrontations have consequences far beyond the legal world. It is generally recognized, for example, that the Atlantic alliance was seriously hampered when President Reagan imposed sanctions against foreign companies helping to build the Soviet natural gas pipeline.

Many businessmen fear that further attempts by Washington to control foreign companies would make it harder for American enterprises to maintain a good relationship with their trading partners overseas.

The Marc Rich case is the latest in a long series of international legal conflicts. Here are some recent examples:

In the pipeline dispute, Dresser Industries found itself in the same kind of bind that Marc Rich is in now. Dresser faced American reprisal if it honored its supply contract in France, and it faced French reprisal if it did not. President Reagan finally lifted the ban last November after the governments of France, Britain, West Germany and Italy protested. They insisted that the United States had no right to control their trade policies and that they would go ahead with any contracts to supply parts for the pipeline.

When American hostages were



The New York Times / Richard Sandberg; United Press International; Financial Times

Clockwise from top left: Marc Rich & Company papers seized in the U.S., President Carter signing order to freeze Iranian assets, section of Soviet pipeline to Western Europe and Sir Freddie Laker. All represent confrontations between countries where conflicting commercial ideas or laws exist.

Continued on Page D2

The Steamer-Trunk Affair

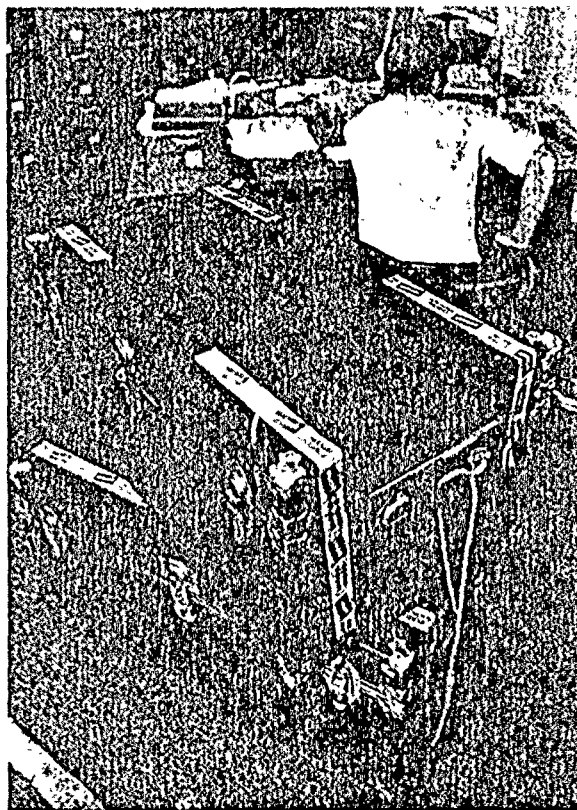
Swissair's Flight 111 from New York's Kennedy Airport to Geneva and Zurich was almost ready for its 7 p.m. takeoff when federal agents suddenly halted the departure and summoned one of the Zurich-bound passengers, a paralegal from a New York law firm, off the plane. But what the agents really wanted was her baggage—two black steamer trunks crammed with documents belonging to Marc Rich & Co., the big Swiss-based commodities trading firm, which owns half of Twentieth Century-Fox. The reason: just three days earlier Rich had agreed to turn over many of these same papers to a federal grand jury.

The incident was but the latest in a bizarre legal battle that began 18 months ago when the United States charged Rich & Co. with evading taxes on \$20 million in income earned here. Rich's lawyers denied that last week's attempted night flight had violated the commodities firm's agreement to surrender the documents. They said the papers were being flown to Zurich for a review to make certain that they contained no confidential information—and that other documents sought by the grand jury had already been shipped there for the same reason. Federal Judge Leonard B. Sand was not convinced: he angrily ordered the firm to turn over all the subpoenaed documents immediately. "The thinness of the ice on which your client stands is something you must be aware of," he told the company lawyers. The same day, Rich produced 252 cartons of documents in court and the next day it loaded several bagfuls of papers on a plane for delivery back to New York.

Inflated Prices: The government might have guessed it would be hard to drag information out of the Rich firm and its secretive founder, Marc Rich. About all that is known of Rich is that he is a 48-year-old American citizen who quit what is now-Phibro-Salomon in 1973 to start his own trading firm. He did well: Rich & Co.'s annual revenues are estimated at more than \$10 billion, and in 1981 the firm, teaming up with oil baron Marvin Davis, bought Twentieth Century-Fox Corp. Last year the U.S. charged that Rich was profiting at government expense. It said the firm had evaded U.S. income taxes by selling oil to its U.S. subsidiary, Marc Rich & Co. International, at inflated prices—making it appear that the Amer-

ican unit was losing money on the trades.

Rich personally refused to appear before a grand jury investigating the charge and to produce the documents, mostly trading reports, that it wanted. Later, the company's U.S. subsidiary did agree to produce the material, but the parent company refused, saying that a Swiss company was not subject to U.S. subpoenas. In June, Rich and his second in command, Pincus (Pinky) Green, left New York for Switzerland, where a court ordered the parent firm not to give up the documents on the ground that Swiss law



Jacques M. Chenet—Newsweek

The papers in question: A last-minute catch

prohibits Swiss companies from revealing business secrets to foreign governments.

But back in the United States Judge Sand was exerting pressure; he held Rich & Co. in contempt of court and fined it \$50,000 for each day it refused to hand over the documents. A week later, Rich and Green quietly sold the U.S. subsidiary to one of its other partners and the unit was renamed Clarendon AG. Sand didn't hear about the deal until some time later, but when he did he angrily called it "a ploy to frustrate the implementation of the court's order." He threatened to freeze up to \$55 million of Rich & Co.'s U.S. assets and later issued restraining orders to prevent the distribution of its American holdings (Rich had reportedly been trying to sell its 50 per-

cent interest in Twentieth Century-Fox).

With the squeeze on, Rich seemed to be caving in. It paid \$2.6 million in fines for contempt, put up \$55 million in securities as collateral for any other fines that might be levied and finally agreed to surrender the documents. But the controversy over the case may not end just because the papers are safely in the court's hands. The Swiss government has lodged an official protest with the United States over what it considers heavy-handed American prosecution methods. The Swiss position is that the United States could have received the information it wanted without resorting to subpoenas and without bringing a Swiss firm into conflict with Swiss secrecy laws. The Swiss may be content to let the matter drop and the investigation may proceed smoothly. But with last week's steamer-trunk caper fresh in mind, U.S. officials may not be quick to bet on it.

DAVID PAULY with HOPE LAMPERT in New York and bureau reports

Metromedia On a Roller Coaster

John Kluge has done a remarkable job of pushing his Metromedia broadcasting empire to the top of Wall Street's ratings chart. By combining the huge cash flow of his seven television stations with heavy borrowings, Kluge turned the company's stock into the highest-priced issue on the New York Stock Exchange. But last week the picture suddenly clouded. Abraham Briloff, a well-known critic of creative corporate accounting, suggested that the company was so strapped for cash last fall that it resorted to a financing ploy that could result in its paying an effective interest rate of 26 percent. Metromedia's stock plunged from \$500 to \$390 a share in just two days—knocking \$323 million off its total market value and reducing Kluge's personal holdings by \$79 million.

Briloff took exception to a deal in which Metromedia sold certain assets of its outdoor advertising business for \$485 million, with a provision for buying them back in 1987. By subtracting the \$105 million in taxes the company had to pay on the sale and making other adjustments, Briloff figured that the company had raised only \$289 million in new funds—and that based on the stipulated buy-back price, it was saddling itself with a usurious rate of interest.

Kluge's supporters dismissed the attack, pointing out that the company is not obligated to buy back the assets. Still, it was questionable whether the debt-laden company should have engaged in any kind of new financing. Analysts insist that Kluge can pull off his high-risk dreams for Metromedia and at the weekend the stock had recouped \$55 of its earlier decline. In any case, the future price moves of the company's stock won't be quite so dramatic: a 10-for-1 split of the shares is effective this week.

Newsweek 8/22/83

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 1 1983	
FBI-NEW YORK	

196A-1774-138

People

Call them the boys of Indian summer. Roy Scheider, 47, an ex-Redford, 46, have both donned pinstripes and taken the field in two new movies about the All-American pastime. In *Tiger Town*, the first made-for-TV feature for the new Disney cable channel, Scheider plays Billy Young, a fading 39-year-old baseball legend who is spurred on to win a pennant by the faith of an eleven-year-old fan, played by Justin Henry, 12 (*Kramer vs. Kramer*). Scheider, who broke his nose during an early "career" as a boxer, says that he has always wanted to portray a baseball player but never before had the chance. "As a kid, I played sand-lot softball," he recalls. "Now here I am acting out a fantasy I've had since I was dreaming of ways to get out of New Jersey." Redford, meanwhile, was returning to the screen for the first time since 1980, when he appeared in *Brubaker* and directed *Ordinary People*. This month he is on location at West Memorial Stadium in Buffalo filming *The Natural*, based on Bernard Malamud's 1952 novel about a 34-year-old ball player who finally makes it to the big leagues during the 1930s. Like Scheider, maybe like every American male, Redford is glad to have a chance to experience an un-lived fantasy. He had planned to be a ball player at the University of Colorado, but, Redford recalls, "I was out there on a half scholarship, and proceeded to get sidetracked."



Scheider in *Tiger Town*

It was a wedding with, well, star appeal. After a five-year romance, Carrie Fisher, 26, who rocketed to fame as Princess Leia in the *Star Wars* trilogy, and Paul Simon, 41, still crazy about her after all these years, were married in a Jewish ceremony at his West Side Manhattan apartment. The cast of guests appropriate to such a show-biz union included the bride's long-divorced parents, Eddie Fisher and Debbie Reynolds, *Star Wars* Creator George Lucas, Comedian Robin Williams, Simon's once and present singing partner, Art Garfunkel, and Billy Joel, who presented the couple with a jukebox filled with records from the 1950s. More traditionally, Papa Fisher gave his daughter six ruby,



Redford in *The Natural*

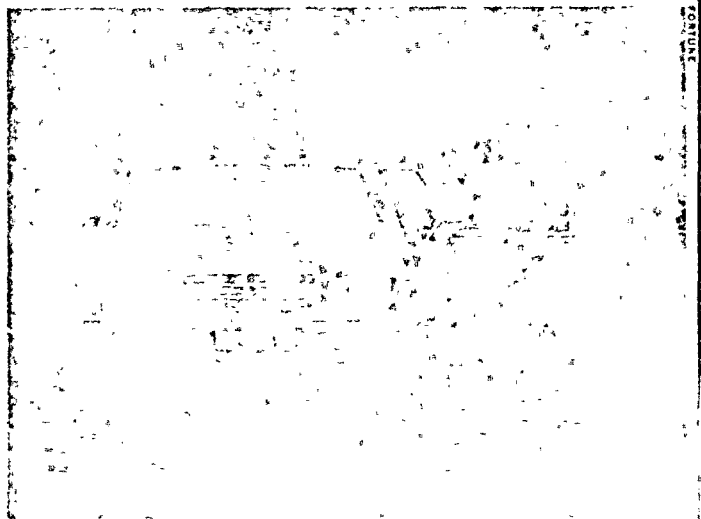
garnet, jade and diamond rings and a vintage Cartier watch. To his new son-in-law he gave his "most prized possession," a framed photograph of Fisher holding Carrie and her brother Todd when they were babies. After the formalities, though, the customary honeymoon was replaced by a "working honeymoon" as the couple flew off to Houston, where Simon and Garfunkel were to appear as part of a nationwide reunion tour.

His shadowy persona and penchant for secrecy have made pictures of him a rare commodity. But the rare commodities in which the Belgian-born financier is more interest-

ed—oil, gold and aluminum, among others—have made the Switzerland-based firm he founded in 1974 one of the most successful in the world, with an annual trading volume of \$10 billion. Recently, though, Business Wizard Marc Rich, 49, has become the center of an international financial wrangle that has the courts and governments of two countries pulling at his various corporate arms. Two years ago, the U.S. Government began investigating a potentially "massive tax-fraud scheme" involving an oil deal between Marc Rich & Co. AG and its New York City-based subsidiary. A federal court subpoena for tens of thousands of the firm's documents had produced only talk until two weeks ago, when two steamer trunks full of company papers were seized by federal agents as they were about to be loaded on a jetliner bound for Switzerland. At about the same time, another batch of documents was confiscated by Swiss authorities at the company's headquarters in Zug, lest the country's strict corporate secrecy laws be violated. Out of patience, U.S. Federal Judge Leonard Sand has threatened to shut down the company's U.S. operations until the papers are delivered, and will decide next month whether to order the seizure of \$55 million worth of Rich's assets that the company put up to guarantee compliance with the subpoena. Meanwhile Rich, as elusive as ever, has returned to Switzerland. —By Guy D. Garcia



... in Manhattan



Are you... in Manhattan

Time Magazine
8/29/83

47

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

196A-1774-139

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 16 1983	
FBI-NEW YORK	

125

NEW YORK LAW JOURNAL—Tuesday, August 23, 1983

Fraud Probe of Marc Rich

Continued from page 1, column 4
year. Under an agreement with the U.S. government, Marc Rich began to comply but the Swiss government seized documents earlier this month.

Also complicating the situation was the supposed sale of the American subsidiary so that it became an independent company, Clarendon Ltd. However, government prosecutors have expressed skepticism, since the heads of the new company have been associated with Marc Rich.

Judge Sand had scheduled a hearing for yesterday to take evidence concerning the sale and other aspects of the investigation but it was postponed until Sept. 19 while the U.S. and Swiss governments negotiate over whether the Swiss will allow the turnover of the documents it seized to be surrendered.

Both Messrs. Giuliani and Pedowitz have spent hours each day on the case during recent weeks. Morris Weinberg Jr., an Assistant U.S. Attorney, has been in charge of the investigation since last year.

He has since been joined by Carolyn L. Simpson, an Assistant U.S. Attorney, who handled much of the negotiations that led to payment of the contempt fines. Other prosecutors now participating in the case are Jane Parver, Chief of Major Crimes, and Martin J. Auerbach, an Assistant U.S. Attorney.

The Swiss company has been represented by Morton M. Maneker, Bruce E. Fader, Jeffrey A. Mishkin, John W. Ritchie and Robert C. Finkel, of Proskauer. While he was head of Proskauer's litigation department, Marvin E. Frankel, was its lead litigation lawyer.

Mr. Frankel left Proskauer in the midst of the litigation to become a name partner in what now is Kramer, Levin, Nease, Kamen &

Frankel but still is listed as an attorney of record.

Milgrim Thomaian has represented the U.S. subsidiary in civil litigation and when the grand jury investigation spilled into court, Williams & Connolly represented it, with Milgrim Thomaian in charge of document production.

Earlier this month, Curtis, Mallet-Prevost replaced Williams & Connolly for the grand-jury investigation. The Curtis, Mallet-Prevost lawyers representing Clarendon are Peter E. Fleming Jr., T. Barry Kingham, Elliot Lauer, Mark O'Donoghue and Michael Zimmerman.

The civil litigation involving the subsidiary is believed to have been handled by Robert Thomaian and Robert E. Meister of Milgrim Thomaian.

Williams & Connolly still remains associated with the investigation, since Edward Bennett Williams and Richard M. Cooper, of the firm, represent the two main principals in the Swiss company; Marc Rich and Pincus Green.

The government lawyers in Washington who have been concerned in the case include Glenn L. Archer Jr., head of the Department of Justice's Tax Division, and Robert Edwin Davis, a Deputy Assistant Attorney General.

Also involved are Mark M. Richard, a Deputy Assistant Attorney General in the Criminal Division, Phillip T. White, head of the International Affairs Section in the Criminal Division; and Lawrence W. Chamblee, of the International Affairs Section.

The interests of the Swiss government have been represented by Robert E. Herzstein, of Arnold & Porter, in Washington, and Juerg B. Leutert, legal adviser to the Swiss Embassy in Washington.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/2/0 BY SP5 JC/may

SEARCHED	INDEXED
SERIALIZED	FILED
196A-174-140	
SEP 1 1983	
FBI-NEW YORK	

New York Law Journal

New York Law Journal

SERVING THE BENCH AND BAR SINCE 1858

NEW YORK, TUESDAY, AUGUST 23, 1983

Top Prosecutors Arrayed Against Major Firms Heavy Artillery Up Front In U.S. Probe of Marc Rich

By Alan Kohn

What started out two years ago as a routine investigation is no more. Now, there are almost daily headlines about suspicions of massive tax fraud by the American subsidiary of a Swiss commodities trader, Marc Rich & Co. AG.

High government officials, eleven Federal prosecutors and dozens of government agents are involved, as are five law firms. Defiance of a Federal judge's order to turn over documents to a grand jury has cost Marc Rich more than \$2.6 million in contempt fines.

After Marc Rich finally began complying with the order, the Swiss government seized some of the documents, creating an incident with the U.S. government and further legal complications.

What caused the interest of lawyers, newspapers and high government officials was the amount of the contempt fines, \$50,000 daily, and the fact the company paid the fines and agreed to comply with the subpoena only after the government moved, in effect, to freeze the subsidiary's assets.

Six Federal prosecutors in the office of U.S. Attorney Rudolph W.

Giuliani, including Mr. Giuliani and Lawrence B. Pedowitz, Chief of the Criminal Division, now are involved in New York City and five more are working on the case in Washington.

The law firms playing roles include Proskauer Rose Goetz & Mendelsohn; Curtis, Mallet-Prevost, Colt & Mosle; and Milgrim Thoma-
jan Jacobs & Lee, in New York City, and Williams & Connolly and Arnold & Porter, in Washington.

An Internal Revenue Service investigation begun in 1981 was continued last year by Southern District prosecutors who are probing whether Marc Rich charged artificially high prices for commodities sold to its American subsidiary to reduce the latter's tax liability.

Marc Rich already has paid \$2.6 million in daily \$50,000 contempt fines for failure to produce subpoenaed documents. The company was ordered to comply with the subpoena last year by Judge Leonard B. Sand, of the U.S. District Court for the Southern District of New York.

After appeals failed and the company still failed to comply, the judge imposed the \$50,000 daily fines this

Continued on page 3, column 3

Court Decisions in Marc Rich Case To Help U.S. Pursue Foreign Firms

By ROBERT E. TAYLOR
And ROGER LIWENSTEIN

Staff Reporters of THE WALL STREET JOURNAL

The U.S. is trying to expand its jurisdiction over foreign companies that may have broken U.S. laws.

It is getting support for that effort from recent precedent-setting decisions that courts have made in the government's fight with Marc Rich & Co. AG. A federal grand jury is investigating whether the Swiss-based commodities concern evaded taxes by diverting income from its U.S. subsidiary to the parent firm.

Attorneys say the new, tough approach promises to intensify conflicts between U.S. courts and multinational companies, and between the courts and governments. Already, federal prosecutors in other parts of the country are preparing to cite the Rich case as a precedent for stiffer sanctions in cases involving foreign concerns.

"It used to be that if an investigation extended offshore, the Justice Department said, 'This is the end,'" says Washington tax attorney Gerald A. Feffer. But the Rich case, he says, "vividly demonstrates how hard the department will push for overseas documents and how unsympathetic the courts can be to complaints that disclosure would violate another country's secrecy laws."

Stiff Sanctions

In the Marc Rich case, Assistant U.S. Attorney Morris Weinberg has convinced two federal courts in New York that the company is subject to a U.S. grand jury subpoena even though the parent company doesn't regularly do business in the U.S. In the past, such companies were usually thought to be beyond the reach of grand jury subpoenas.

Moreover, Mr. Weinberg's subpoenas have been enforced by unusually stiff sanctions. Federal Judge Leonard B. Sand, by imposing fines, freezing assets and threatening to close Marc Rich's U.S. subsidiary, has apparently broken down the company's long resistance and succeeded in obtaining at least some of the records being sought.

In Florida, prosecutors say they plan to refer to the \$50,000-a-day Marc Rich fines in asking a federal judge to increase to at least \$100,000 his \$500 daily fine against the Bank of Nova Scotia for ignoring a subpoena. The bank has been contesting the subpoena for 23 months, partly on the ground that Bahamian law bars disclosure, but it recently exhausted its appeals when the Supreme Court declined to review the case.

If steeper fines don't force compliance

from the bank, government attorneys say they'll ask further sanctions.

"Case law is beginning to firm up that the grand jury or a trial court should have access to overseas documents," says John Smietanka, U.S. attorney in Grand Rapids, Mich. As a result, he says, penalties may grow and "each succeeding case should take a lot less time."

To enforce a grand-jury subpoena calling for surrender of documents in Germany, Mr. Smietanka last year asked a federal judge to impose a fine of \$50,000 a day on that country's Deutsche Bank AG. He also asked that the daily amount increase by another \$50,000 every 10 days. On the eve of a hearing on that motion, the Germans compromised by turning over most of what was sought.

Judge Sand's rulings on jurisdiction in the Marc Rich case also appear to have reached further than usual. In the past, at-

"Case law is beginning to firm up that the grand jury or a trial court should have access to overseas documents," a U.S. attorney says. As a result, "each succeeding case should take a lot less time."

torneys say, subpoenas generally have been enforced only on companies regularly doing business in the U.S.

Judge Sand decided that although Marc Rich has a large U.S. subsidiary, the government failed to show that the parent company regularly does business in the U.S. Still, he ruled that the subpoena could be served because the parent company was involved in a transaction, part of which occurred in the U.S., that a grand jury is investigating.

U.S. attorneys say his ruling is supported by precedent in civil case law that requires people who have acted in a state to appear and account for their actions if they are the subject of litigation.

But attorneys for Marc Rich say the judge's ruling excessively expands subpoena power. "Overseas extensions of the grand jury power are for the Congress, not the courts," attorney John Ritchie argued in an unsuccessful appeal for the company.

"It's certainly an unusual instance of granting a subpoena," says Andreas Lowen-

feld, a New York University law professor.

Despite the severity of moves so far, however, the government may fail to force full compliance. Such enforcement efforts can only be effective, says Justice Department attorney Peter Clark, if a company has a U.S. operation that can be subjected to fines or other sanctions. Deutsche Bank and Bank of Nova Scotia, for instance, have U.S. branches.

Until now, Marc Rich has been exposed to the power of U.S. courts through its domestic subsidiary. Its commodities customers, in fact, are so wary of the court that Marc Rich's domestic business has dried up. Recently, however, Marc Rich sold the subsidiary to Alex Hackel, previously managing director of Marc Rich, and other partners in the parent firm.

Judge Sand has suggested the sale may have been a "sham" carried out so the company could subvert his orders. He has yet to rule on whether the sale is legitimate; if he decides it is, and the subsidiary is severed, the court will lose its leverage over Marc Rich in the U.S.

Unresolved Issues

Other issues in the case also remain unresolved. After 18 months of resistance, Marc Rich recently agreed to turn over the Swiss documents, only to have the Swiss government step in and seize many of them on secrecy-law grounds. The company insists it is doing all it can to comply with the subpoena, but Judge Sand says he will examine whether the company agreed to comply "with its fingers crossed," anticipating the Swiss action.

Generally, U.S. courts avoid requiring companies to do anything that would violate the company's home laws. But U.S. courts have increasingly ignored foreign laws forbidding compliance with subpoenas when shown evidence of "bad faith" by a company, or when they have found that U.S. interests outweigh a foreign government's concerns. In the Bank of Nova Scotia case, for instance, a federal appeals court in Atlanta said, "We aren't willing to emasculate the grand-jury process whenever a foreign nation attempts to block our criminal justice system."

Some experts say that tougher subpoena enforcement is needed to force secrecy-minded Bahamians are talking to the U.S. in an effort to better handle U.S. demands for documents. And the Swiss enacted a new law, effective last Jan. 1, that gives U.S. prosecutors their first hopes of Swiss cooperation in some tax-fraud investigations.

Wall Street Journal
8/22/83

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC mmg

196A-1774-1400

SEARCHED	INDEXED
SERIALIZED <u>ff</u>	FILED <u>ff</u>
SEP 18 1983	
FBI-NEW YORK	



MURRAY

KEMPTON

A Famous Lawyer Who Quit Shielding A Foreign Trader

THE OTHER DAY Edward Bennett Williams, most revered of last-resorts of scoundrels, courteously but resolutely let it be known that he would no longer represent the friends and partners of Marc Rich & Co. in their struggle to shield their books from the scrutiny of government investigators.

Rich had been resisting federal subpoenas for 18 months by the time it turned at bay and retained Williams & Connolly as its counsel. By then its contempt fines added up to more than \$3 million, and it seemed to have no recourse but capitulation.

But then, the night before the presumed surrender of Rich's New York books, Justice Department agents scur-

ried to Kennedy Airport just in time to seize two trunks packed with one former subsidiary's records and consigned for shipment to Switzerland, that bourn from which few financiers' secrets return. The next day, the retrieved trunks were hauled before federal Judge Leonard Sand, and he cast a cold eye first upon them and next upon Peter Fleming Williams, stand-in as counsel for what used to be Marc Rich's American affiliate.

Fleming explained that his clients were so far from intending to scuttle the books that they had decided to dispatch the trunks because the only New York lawyer familiar enough with their contents to separate wheat from chaff happened to be in Switzerland. That sort of alibi would not much serve a restaur-

teur seen carrying a gasoline can and a stock of rags into his premises, but loftier personages have a larger margin of error, and Judge Sand could only accept Fleming's excuse and order the speediest compliance with the subpoena in the future.

The next day, it was announced that Edward Bennett Williams had severed all connection with the case. All he would say publicly was that the Marc Rich matter was too complicated for any intelligence as wanting in sophistication as his own. There are, he had decided, just too many players.

If there are not too many, there would appear at least to be one or two no wise lawyer could untroubledly trust. Williams' clientele has included all varieties of recklessness and rascality, from Joseph McCarthy to Frank Costello, but his experience could hardly have encompassed a client who would get himself detected in circumstances allowing the inference that, in complying with a subpoena, he might be sanitizing his files.

Williams has been retained by mafiosos and bagmen and seldom had trouble containing them; but it is difficult not to conclude that he has now found out that Forbes magazine's roster of the 400 richest men in America is so much more fearsome a catalog of ungovernable effrontery than Cosa Nostra's executive

establishment that no lawyer's reputation is entirely secure in association with some of those named.

Marc Rich made Forbes' roll of palms at a bound. In the early '70s he entered the oil market on his own and quickly displayed so splendid an immunity to prejudice against his country's enemies that The Wall Street Journal suggested he transacted for oil with the Ayatollah Ruhollah Khomeini during the hostage crisis.

By 1982, Rich's commodity company was reportedly trading \$10 billion a year and, as The Wall Street Journal nicely put it, was selling more oil than Kuwait and more copper than Kennecott. His resources remain mysterious but of vast repute; even so the oil and tin glut have not been altogether kind to them, and two years ago the government began to suspect that Rich's American affiliates had entered into asset transfers with their Swiss headquarters designed to escape \$20 million in taxes.

The government has since more closely and remorselessly pursued, and Marc Rich has manfully and agilely resisted. All the same, it is prayerfully to be hoped that no one at Marc Rich & Co. will have cause to regret that Edward Bennett Williams did not stick around a little longer.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY 893 JC

196 A-1774-142

SEARCHED	INDEXED
SERIALIZED	FILED
1 1983	
FBI-NEW YORK	

Will 8
Journal 8/19/83

Marc Rich and U.S. Agree to Postpone Hearing to Sept. 19

By a WALL STREET JOURNAL Staff Reporter
NEW YORK—Next Monday's scheduled hearing on a federal grand jury investigation of Marc Rich & Co. AG has been postponed until Sept. 19.

The delay was worked out by attorneys for the U.S. government and the Switzerland-based commodities concern. The government is trying to obtain Marc Rich documents for the grand jury probe of whether the company evaded federal income taxes.

The government and Marc Rich are involved in a lengthy legal battle over access to those documents. The company is being fined \$50,000 a day and having some of its assets attached for failing to comply with grand jury subpoenas.

Late last week it appeared that the battle had ended as Marc Rich agreed to turn over the subpoenaed documents by today. But over the weekend the Swiss government seized some of the documents, claiming that turning them over to the grand jury would violate Swiss secrecy laws.

The Monday hearing had been scheduled by Federal District Judge Leonard and to determine, among other things, whether Marc Rich was acting in good faith in attempting to turn over the documents. Judge Sand approved the postponement.

Yesterday, U.S. attorneys said they needed more time to determine whether they could obtain from the Swiss the records needed for the tax evasion investigation. Judge Sand has ordered the U.S. government to try to work out a settlement with the Swiss government.

Though the two sides have had preliminary discussions, there hasn't been any breakthrough. "I know there isn't any agreement imminent on a governmental level," said Juerg Leufert, legal adviser to the Swiss embassy in Washington.

If government attorneys can obtain the subpoenaed documents, the Sept. 19 hearing is likely to be canceled, the sources said.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/2/01 BY SP5 JSC/mar

196A-1774-143

SEARCHED	INDEXED
SERIALIZED	FILED
1 1983	
FBI-NEW YORK	

Elusive Target

Where is Marc Rich?

In a milieu that abounds in shadowy figures, Marc Rich is one of the most elusive of all. Probably the world's biggest independent dealer in crude oil, Rich, 49, leads an intensely private life, is rarely photographed and gives no interviews. His money, however, talks. He was the secret partner in the \$722 million purchase of 20th Century-Fox in 1981. He is believed to be the "mystery buyer" who the same year tried to corner the global market for tin. The Belgian-born Rich, whose family fled to New York during World War II, found his calling 30 years ago as a metals trader after dropping out of New York University. The Swiss-based commodities firm he founded in 1974, Marc Rich & Co. AG, is now one of the largest in the world, trading an annual volume of \$10 billion worth of oil, gold, aluminum, sulfur and sugar, among other things. Rich's personal fortune is estimated at more than \$100 million. "Everybody is amazed at his commercial success," says Oil-Industry Consultant Walter Levy, "without quite knowing how he did it."

The U.S. Government, for one, is determined to find out. The Justice Department believes the company carried out a "massive tax-fraud scheme" in 1980 by diverting some \$20 million in profits from its subsidiary in New York City to its headquarters in Switzerland. The department's probe has resulted in a prolonged legal face-off with the firm. The latest crisis came last week, when Federal Judge Leonard Sand threatened to freeze up to \$55 million in Marc Rich & Co. assets at some 20 domestic banks and companies, a move which would have paralyzed the company's U.S. operations.

The confrontation began in April 1982, when a federal grand jury started looking into charges that during the 1970s the Rich firm had sold price-controlled oil through a complicated series of trades that resulted in illegally inflated profit margins. In addition, federal prosecutors accused the Swiss company of covering up the profits by selling oil to its U.S. subsidiary at an artificially high rate. Since the subsidiary then resold the oil at lower market rates, it incurred a sizable loss in the U.S., thus escaping income taxes.

To evaluate the charges, the grand jury demanded to see some of Marc Rich & Co.'s files. The firm refused, contending that a Swiss company need not honor a U.S. subpoena and that, in any case, the transactions among its divisions were made according to fair-market prices. Last fall Judge Sand issued a contempt citation against the company. He ordered a \$50,000 fine for each day that it failed to release the documents, a penalty that could total \$27.5 million by the time the grand jury disbands. In June, Marc Rich & Co. secretly sold its U.S. division to a

group of the parent company's officers, all foreign nationals. U.S. Attorney Morris Weinberg called the maneuver an "egregious deception" designed to bolster the firm's claim of foreign immunity.

Rich started his career with Manhattan-based Philipp Brothers, then a quiet company (now Philbro-Salomon) of metals traders. He became something of a protégé of Ludwig Jesselson, the company's head. After assignments in Bolivia and Spain, he returned to New York and built the company's lucrative oil-trading department. He made a killing during the 1973 Arab oil embargo, but the company declined to pay the seven-figure commission he demanded and he left in a huff. With partner Pincus ("Pinky") Green, a fellow *Wunderkind* trader from Philbro, he established his own firm with headquarters in Zug, an Alpine town 14 miles south of the financial center of Zurich.

As his company's troubles have become public, some customers say they are



The commodity trader's headquarters in Zug
A "massive tax-fraud scheme"?

shying away. The firm has changed its name in the U.S. to Clarendon Ltd. and has taken down the Marc Rich signs around its Fifth Avenue offices. Rich himself has moved out of his Park Avenue apartment, and is believed to be working out of the Zug offices. Two weeks ago, Clarendon sent out notices telling its customers it would conduct business as usual during the freeze, but since then Judge Sand has prohibited those reassurances on pain of further contempt citations.

The increasing pressure finally compelled lawyers for Marc Rich & Co. to agree late last week to deliver the contested documents within two weeks. But Rich, who was once described by a former colleague as being "like granite," may find new ways to go on stonewalling his accusers.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mj

196A-1774-144

SEARCHED	INDEXED
SERIALIZED	FILED
1983	
FBI-NEW YORK	

196A-1774-145

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 10 1983	
FBI-NEW YORK	

FBI
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 I/may

196A-1774-146

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 SC/MAV

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 19 1983	
FBI-NEW YORK	

196A-1774-147

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 19 1983	
FBI-NEW YORK	

196A-1774-148

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP3 SC/mj

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 1 9 1983	
FBI-NEW YORK	

196 A-1774-149

26V
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/mjt

SEARCHED	INDEXED
SERIALIZED <i>ff</i>	FILED <i>ff</i>
SEP 18 1983	
FBI-NEW YORK	

W

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA :

- v - :

INDICTMENT

MARC RICH, PINCUS GREEN, :
CLYDE MELTZER, MARC RICH + CO., :
A.G., and MARC RICH & CO. :
INTERNATIONAL, LTD., a/k/a :
"Clarendon A.G. (Ltd., S.A.)", :
its purported successor in interest, :

83 Cr.

Defendants. :

----- x
COUNT ONE

THE RACKETEERING CONSPIRACY

The Grand Jury charges:

Introduction

At all times relevant to this Indictment, except as
otherwise indicated:

1. The defendant MARC RICH is a United States citizen
and a principal shareholder and Chairman of the Board of
Directors of the defendant MARC RICH + CO., 'A.G. ("AG"), and
Chairman of the defendant MARC RICH & CO. INTERNATIONAL, LTD.
a/k/a "Clarendon A.G. (Ltd., S.A.)," its purported successor in
interest ("INTERNATIONAL").

2. The defendant PINCUS GREEN is a United States
citizen and a principal shareholder and member of the Board of
Directors of the defendant AG, and President of the defendant
INTERNATIONAL.

RECEIVED
FEB 10 1964
U.S. DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

3. The defendant CLYDE MELTZER is a United States citizen and vice-president in charge of crude oil trading for Listo Petroleum, Houston, Texas. In or about late summer 1982, the defendant CLYDE MELTZER was hired as a crude oil trader by the defendant INTERNATIONAL.

4. The defendant AG is a Swiss corporation which is engaged in the worldwide business of trading commodities, including crude oil, and transacts and does business in the United States. The defendant AG has not filed any United States corporate income tax returns.

5. The defendant INTERNATIONAL is a wholly-owned Swiss subsidiary of the defendant AG, which is in the business of trading commodities, including crude oil, in the United States and files United States corporate income tax returns. The defendant INTERNATIONAL has its principal offices in New York City and in Zug, Switzerland. During 1980 and 1981, revenues generated by the defendant INTERNATIONAL from crude oil trading constituted the principal part of the defendant INTERNATIONAL's reportable income in the United States for corporate income tax purposes. As a reseller and trader of crude oil in the United States, defendant INTERNATIONAL was also subject to the oil price control rules and regulations administered by the Department of Energy as set forth in Paragraphs 16 through 23 below.

6. Rescor, Inc. ("Rescor") and Highams Consultants ("Highams") are wholly-owned Panamanian subsidiaries of the defendant AG engaged in the business of trading crude oil. Rescor and Highams do not maintain separate sets of books and records from the defendant AG.

7. The defendant AG, and its wholly-owned subsidiaries the defendant INTERNATIONAL, Rescor, and Highams are an enterprise, as defined in 18 U.S.C. § 1961(4), engaged in, and the activities of which affect, interstate and foreign commerce. The enterprise has been conducted by the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, INTERNATIONAL and others through a pattern of racketeering activity wherein the defendants and others concealed in excess of \$100 million in taxable income from crude oil transactions of the defendant INTERNATIONAL by diverting it, through a series of sham transactions, offshore to the defendant AG. This \$100 million in taxable income itself had been illegally generated for the most part by the defendants' violations of federal energy laws and regulations. The enterprise has been used by the defendants to enable the defendant INTERNATIONAL to evade in excess of \$48 million in United States taxes for the 1980 and 1981 tax years.

8. In addition, during the American hostage crisis in Iran, the defendants used the enterprise to violate federal laws prohibiting commercial transactions and credit transactions with Iran to trade crude oil and fuel oil purchased directly from the National Iranian Oil Company.

The Objects of the Racketeering Conspiracy

9. From on or about January 1, 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, the defendants, being individuals and entities employed by and associated with an enterprise engaged in, and the activities of which affect, interstate and foreign commerce, together with others known and unknown to the Grand Jury ("co-racketeers"), unlawfully, wilfully and knowingly, did combine, conspire, confederate and agree together and with each other to commit an offense against the United States, to wit, a violation of Title 18, United States Code, Section 1962, that is, to conduct and participate, directly and indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity as defined in Title 18, United States Code, Section 1961(5)

10. It was an object of the racketeering conspiracy that the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, together and with their co-racketeers, would and did commit and agree to commit the acts of racketeering, including mail fraud, indictable under Title 18, United States Code, Section 1341, as charged in Paragraphs 26 and 27 of this Count and in Counts 25-28, and wire fraud, indictable under Title 18, United States Code, Section 1343, as charged in Paragraphs 12-25 and 28-29 of this Count and in Counts 5-24 and 29-51, all in violation of Title 18, United States Code, Section 1962(c).

The Pattern of Racketeering

11. It was a part of the pattern of racketeering activity that from on or about January 1, 1980, up to and through the date of the filing of this Indictment, the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, together and with their co-racketeers, unlawfully, wilfully and knowingly, would and did devise and intend to devise schemes and artifices to defraud the United States, and its agencies thereof, and to obtain money and property by means of false and fraudulent pretenses, representations and promises, to wit:

(i) the Internal Revenue Service ("IRS") in its lawful governmental service of administering and overseeing the collection of taxes in the United States;

(ii) the Department of Energy ("DOE") in its lawful governmental service of administering and overseeing the laws and regulations which provided for price controls and limited mark-ups for the sale of crude oil produced in or imported into the United States; and

(iii) the Department of Treasury and its Office of Foreign Assets Control in its lawful governmental service of administering and overseeing the laws and regulations which prohibited unauthorized commercial transactions and credit transactions with Iranian-controlled entities during the American hostage crisis.

The Racketeering Acts

The Scheme To Defraud The IRS

12. It was part of said scheme and artifice to defraud the IRS (as well as the DOE) that the defendants MARC RICH and PINCUS GREEN would and did cause third party companies, to wit, West Texas Marketing ("WTM"), Abilene, Texas, and Listo Petroleum ("Listo"), Houston, Texas, to conduct business for and on behalf of the defendant INTERNATIONAL and to conceal approximately \$71 million in domestic profits belonging to the defendant INTERNATIONAL by making it appear that such profits had in fact been earned by WTM and Listo rather than by the defendant INTERNATIONAL.

13. It was further part of said scheme and artifice to defraud the IRS (as well as the DOE) that the \$71 million in domestic profits of the defendant INTERNATIONAL being concealed and held by WTM and Listo would be and were moved by wire transfers to foreign bank accounts of the defendant AG and its wholly-owned subsidiaries Rescor and Highams through a series of sham transactions involving foreign crude oil, in which WTM and Listo purportedly "lost" to the defendant AG amounts equivalent to the concealed profits actually belonging to the defendant INTERNATIONAL.

14. It was further part of said scheme and artifice to defraud the IRS (as well as the DOE) that the defendants and their co-racketeers would and did create in excess of \$31 million in fraudulent deductions for the defendant INTERNATIONAL by fabricating transactions between the defendants AG and

INTERNATIONAL relating to offshore oil deals between the defendant AG and Charter Oil Company Bahamas. As a result of these sham transactions, over \$31 million in taxable income was diverted from the defendant INTERNATIONAL offshore to the defendant AG.

15. It was a further part of said scheme and artifice to defraud the IRS (as well as the DOE) that the defendants and their co-racketeers would and did create \$2,716,510.00 in fraudulent deductions for the defendant INTERNATIONAL by fabricating a transaction between the defendant INTERNATIONAL and Rescor involving the purchase of foreign crude oil by Rescor. As a result of this sham transaction, \$2,716,510.00 in taxable income was diverted from the defendant INTERNATIONAL offshore to the defendant AG through Rescor.

Method and Means

Background: Oil Price Control Regulations

16. The Emergency Petroleum Allocation Act (EPAA) of 1973, Title 15, United States Code, Section 751, et seq., and the regulations promulgated thereunder, provided for price controls and mandatory allocation of all crude oil produced in or imported into the United States.

17. Under various of the regulations, the United States, through the DOE, limited the prices that could be charged for domestic crude oil. Under the regulations, the permissible price was different for different regulatory categories of crude oil.

18. The regulatory categories of crude oil were "old" (also called "lower tier"), "new" (also called "upper tier") and "stripper." Crude oil was categorized or labelled "old," "new", or "stripper" depending on the history or the level of production of the well from which the oil came. Crude oil coming from a well at or below a designated 1972 level of production was labelled "old"; "new" oil referred to crude oil discovered since 1973 or oil obtained from existing wells in excess of the 1973 level of production; "stripper" oil referred to crude oil produced from a well whose average daily production was less than ten barrels. These categories (or labels) corresponded to price control categories and were not based on any physical or chemical characteristics of the oil. Since the oil was physically identical, oftentimes a quantity of domestic crude oil contained components of old oil, new oil and stripper. A barrel of domestic crude oil with a new oil or old oil component was referred to as a "controlled barrel." Stripper oil was referred to as "uncontrolled."

19. Old oil (lower tier) had the lowest maximum lawful selling price. New oil (upper tier) had a higher maximum lawful selling price than old oil. Stripper oil was exempt from price controls and could be sold at the world market price which was far in excess of the prices for old and new oil. Depending on the type of crude oil, a stripper barrel would at relevant times sell for in excess of \$20 more than a lower tier barrel and \$15 more than an upper tier barrel of like quality.

20. Every seller of a volume of domestic crude oil was required by the regulations to certify in writing to the purchaser the respective amounts and prices of old oil, new oil, and stripper oil contained in the crude oil being sold. The DOE periodically audited and reviewed the records of sellers and purchasers of crude oil, which records were required to be kept by law, to determine compliance with the regulations.

21. During the period of price controls, in order to evade the regulations and produce illegal and huge profits, controlled oil was on occasion sold through a series of oil resellers known as a "daisy chain." The defendant INTERNATIONAL frequently participated as the original reseller of controlled oil into a "daisy chain." The "daisy chain" was utilized by the original reseller to make it extremely difficult to trace the movement of controlled barrels and to facilitate illegal alteration of the certifications on controlled barrels into stripper barrels (uncontrolled) which could then be sold at the much higher world market price. The original reseller of controlled oil into the "daisy chain" would receive, at the conclusion of the "daisy chain," an equivalent quantity of crude oil falsely certified as stripper barrels at drastically discounted prices from the world market value. The original reseller would then sell these stripper barrels at the world market price and realize enormous profits. Each of the oil companies in the "daisy chain" made a smaller profit.

22. Under the regulations, a crude oil reseller was defined as an entity which purchased or sold crude oil without substantially changing its form by processing or other means. A reseller was restricted in the prices it could charge its customer for crude oil. The regulations established a "permissible average markup" (PAM) for resellers. Effective September 1, 1980, the DOE established the permissible average markup of 20¢ per barrel for a reseller such as the defendant INTERNATIONAL. In the event that a reseller's actual average markup, computed on a monthly basis, exceeded its PAM, the excess profits were illegal.

23. Resellers were required on a monthly basis to submit forms ERA-69 to the DOE setting forth their actual average markup per barrel for crude oil sales. On the ERA-69, resellers were required to set forth the dollar amount of any PAM overcharges in order that the overcharges could be immediately refunded to customers.

24. The defendant INTERNATIONAL was a reseller subject to the 20¢ per barrel PAM and was required to file forms ERA-69 on a monthly basis.

25. Among the methods and means employed by the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL and their co-racketeers to effectuate the scheme described in Paragraph 11(i) and Paragraphs 12 through 15 above, were the following:

The West Texas Marketing "Pot"

(a) Prior to September 1980, the defendants MARC RICH and PINCUS GREEN for the defendant INTERNATIONAL would and did transact numerous "daisy chain" crude oil deals with West Texas Marketing ("WTM"), a crude oil reseller in Abilene, Texas. In those "daisy chain" deals, WTM would and did purchase from the defendant INTERNATIONAL domestic controlled oil upon the agreement to sell back to the defendant INTERNATIONAL, after going through a "daisy chain," an equal quantity of stripper oil (uncontrolled) at a substantial discount from the world market price, which the defendant INTERNATIONAL then sold to third parties for huge profits. The substantial profits from these transactions were recorded on the books and records of the defendant INTERNATIONAL.

(b) After September 1980, the defendants MARC RICH and PINCUS GREEN agreed with the principals of WTM to alter their "daisy chain" transactions with the defendant INTERNATIONAL so that the huge profits of the defendant INTERNATIONAL from these crude oil transactions would be retained for it by WTM, rather than being reflected on the books and records of the defendant INTERNATIONAL as before. In these later transactions, WTM would continue to buy controlled barrels from the defendant INTERNATIONAL at the controlled price and agree to produce for the defendant INTERNATIONAL an equal number of stripper barrels at a price substantially below the market value. However, rather than sell these cheap stripper barrels back to the defendant INTERNATIONAL at the lower price as previously, WTM agreed

ostensibly to sell the stripper barrels to the defendant INTERNATIONAL, or to third party companies designated by the defendant INTERNATIONAL, at the higher market price. From these deals, WTM purportedly reflected huge profits on its books, which profits were referred to as the "pot."

(c) The defendants MARC RICH and PINCUS GREEN and the principals of WTM further agreed that the huge profits in the "pot" belonged to the defendant INTERNATIONAL and would be retained by WTM in its bank accounts for the defendant INTERNATIONAL.

(d) To further conceal the scheme, the defendants and their co-racketeers would and did cause WTM to prepare and mail invoices to the defendant INTERNATIONAL which falsely indicated that WTM had sold the stripper barrels to the defendant INTERNATIONAL at the high world market price, when in truth and in fact the defendant INTERNATIONAL was paying a far lower price upon WTM's agreement secretly to kickback to the defendants the huge profits held by WTM for the defendant INTERNATIONAL in the "pot".

(e) The monies in the "pot" were periodically moved out of the United States at the instance of the defendants MARC RICH and PINCUS GREEN to foreign bank accounts of the defendant AG and its foreign subsidiaries Rescor and Highams through sham transactions, wherein WTM would incur pre-arranged losses to the defendant AG and its foreign subsidiaries. For example, in many of these transactions the defendant AG would purportedly sell a cargo of foreign crude oil to WTM, and then WTM would ostensibly

sell the same oil back on the same day to Rescor, the defendant AG's subsidiary, for \$3 per barrel less than WTM had paid for it. These transactions were a sham in that they were utilized by the defendants solely to remove monies from the "pot" and move the profits offshore. The defendants paid WTM 20¢ per barrel to engage in these sham transactions.

(f) On or about around April 30, 1981; the defendant MARC RICH and others met in New York, New York with representatives of WTM to discuss the amount remaining in the WTM "pot". The defendant MARC RICH and the principals of WTM agreed on a compromise "pot" amount of \$1,215,000.00 and as a result of the meeting, the \$1,215,000.00 from the "pot" was moved out of the United States to the defendant AG through a sham foreign loss transaction involving AG's subsidiary Highams.

(g) From in or about October 1980, through May 1981, the defendants moved and caused to be moved in excess of \$23 million offshore to the defendant AG and its foreign subsidiaries from the WTM "pot".

(h) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, various telexes, telefaxes, and wire and cable transfers of monies, including wire transfers of monies from the "pot" sent by WTM from the United States to

foreign bank accounts of the defendant AG and its subsidiary Highams resulting from transactions involving oil tankers, as set forth below:

	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>NAME OF VESSEL(S)</u>
(1)	wire transfer to AG of \$12,507,818.40 by WTM (including \$1,786,831.00 from the "pot")	October 21, 1980	"Arctic Star"
(2)	wire transfer to AG of \$4,050,000.00 by WTM from the "pot"	October 23, 1980	"Norse King"
(3)	wire transfer to AG of \$5,384,217.00 by WTM from the "pot"	January 5, 1981	"Olympic Bond"
(4)	wire transfer to AG of \$5,000,000.00 to AG by WTM from the "pot"	January 30, 1981	"Nia Rocco Piaggio" and "Okinoshima Maru"
(5)	wire transfer to AG of \$1,199,974.00 by WTM from the "pot"	February 9, 1981	"Okinoshima Maru"
(6)	wire transfer to AG of \$5,141,709.00 by WTM from the "pot"	February 23, 1981	"Romo Maersk"
(7)	wire transfer to Highams of \$1,215,000.00 by WTM from the "pot"	May 4, 1981	"Philip of Macedon"

The Listo "Pot"

(i) In and around September 1980, the defendants and their co-racketeers would and did agree with Listo Petroleum Corporation ("Listo"), a crude oil reseller in Houston, Texas, to a scheme which was essentially a duplicate of the WTM scheme set forth above, in order to conceal profits of the defendant

INTERNATIONAL from sales of domestic crude oil by retaining the defendant INTERNATIONAL 's profits on the books and records of Listo. Just as with the WTM scheme, the defendants and their co-racketeers referred to these monies as the "pot." As with the WTM scheme, these huge profits were moved from the books of Listo offshore to foreign bank accounts of defendant AG and its foreign subsidiaries through a series of sham foreign loss transactions wherein Listo would incur pre-arranged losses to the defendant AG and its foreign subsidiary Rescor on the purchase and sale of foreign crude oil. Also as with the WTM scheme, these transactions included deals in which Listo would buy crude oil from the defendant AG and then immediately resell the same oil back to Rescor for a \$3 per barrel loss.

(j) In or about August 1980, the defendants MARC RICH and PINCUS GREEN on behalf of the defendant INTERNATIONAL, negotiated with representatives of Atlantic Richfield Company ("Arco") to purchase controlled barrels of Alaskan North Slope ("ANS") oil. After a series of negotiations, the defendants MARC RICH and PINCUS GREEN for the defendant INTERNATIONAL agreed to purchase from Arco approximately 18 million ANS controlled barrels to be delivered in 1980 and 1981. The defendants MARC RICH and PINCUS GREEN subsequently informed Arco that Listo, rather than the defendant INTERNATIONAL, would be the contracting party with Arco on the deal. The ANS barrels from the Arco deal comprised the majority of barrels from which the "pot" monies were collected for the defendants on the books of Listo.

(k) As with the WTM scheme, the defendant CLYDE MELTZER for Listo agreed to acquire for the defendant INTERNATIONAL stripper ANS barrels at prices far below the world market price. As with the WTM scheme, Listo agreed ostensibly to sell the stripper ANS barrels to the defendant INTERNATIONAL at the higher market price, thereby purportedly reflecting huge profits on Listo's books.

(l) To further conceal the scheme, the defendants and their co-racketeers would and did cause Listo to prepare and mail invoices to the defendant INTERNATIONAL which falsely indicated that Listo had sold the stripper barrels at the high world market price, when in truth and in fact the defendant INTERNATIONAL was paying a far lower price upon Listo's agreement to secretly kickback to the defendants the huge profits kept by Listo for the defendants in the "pot."

(m) In 1980 and 1981, the defendants moved and caused to be moved in excess of \$47 million offshore to the defendant AG from the Listo "pot".

(n) The defendants MARC RICH and PINCUS GREEN regularly met in New York with the defendant CLYDE MELTZER to discuss the Listo "pot". At these meetings, the defendant CLYDE MELTZER would give the defendants MARC RICH and PINCUS GREEN records accounting for monies currently in the "pot".

(o) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, various telexes, telefaxes, and wire and cable transfers of monies, including wire transfers of monies from the "pot" sent by Listo from the United States to foreign bank accounts of the defendant AG resulting from transactions involving oil tankers, as set forth below:

	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>NAME OF VESSEL(S)</u>
(8)	wire transfer to AG of \$32,950,790.78 by Listo (including \$4,131,620.24 from the "pot")	December 5, 1980	"Montessa"
(9)	wire transfer to AG of \$4,259,844.00 by Listo from the "pot"	December 15, 1980	"Universe Explorer"
(10)	wire transfer to AG of \$18,605,470.63 by Listo (including \$2,241,743.45 from the "pot")	December 23, 1980	"Alnair II"
(11)	wire transfer to AG of \$19,946,909.84 by Listo (including \$2,266,694.30 from the "pot")	December 31, 1980	"Lamyra"
(12)	wire transfer to AG of \$5,291,409.82 by Listo from the "pot"	January 27, 1981	"Artic Star"
(13)	wire transfer to AG of \$3,349,660.34 by Listo from the "pot"	January 30, 1981	"Ionian Commander"

<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>NAME OF VESSEL(S)</u>
(14) wire transfer to AG of \$1,873,584.45 by Listo from the "pot"	February 2, 1981	"Jeci"
(15) wire transfer to AG of \$6,396,202.22 by Listo from the "pot"	February 11, 1981	"Keiyoh Maru"
(16) wire transfer to AG of \$5,315,478.50 by Listo from the "pot"	March 3, 1981	"White Gardenia"
(17) wire transfer to AG of \$9,452,307.00 by Listo from the "pot"	May 5, 1981	"Jamunda" and "Norse King"
(18) wire transfer to Rescor of \$3,000,000.00 by Listo from the "pot"	May 14, 1981	"Philip of Macedon" and "Okinoshima Maru"

The Charter False Deductions

(p) In and around May 1980, the defendants and their co-racketeers entered into a transaction with Charter Crude Oil Company ("Charter") wherein Charter agreed to sell the defendant INTERNATIONAL domestic controlled barrels and the defendant AG agreed to sell Charter's Bahamian subsidiary foreign crude oil at substantial discounts from the world market price. The transaction called for the delivery of controlled barrels to the defendant INTERNATIONAL and the delivery of foreign barrels from the defendant AG to Charter's Bahamian subsidiary on a monthly basis from June 1980, through at least December 1980. The vast majority of the controlled barrels delivered by Charter to the defendant INTERNATIONAL were sold by the defendants to WTM in "daisy chain" transactions, and the defendant INTERNATIONAL realized substantial profits.

(q) Subsequently, in or about late summer 1980, the defendants prepared fraudulent invoices in order illegally to transfer much of the defendant INTERNATIONAL's profits from these transactions offshore to the defendant AG. The defendant AG invoiced the defendant INTERNATIONAL for \$31,106,273.08, charging the defendant INTERNATIONAL for the difference between the discounted price (the price that the defendant AG had sold the foreign crude oil to Charter's Bahamian subsidiary) and the purported world market price for the crude oil. These invoices and the subsequent entries on the defendant INTERNATIONAL's books falsely purported that the defendant INTERNATIONAL had purchased the foreign crude oil from the defendant AG at its "fair market value" and subsequently sold the foreign crude oil to Charter's Bahamian subsidiary at a substantial discount, when in truth and in fact the defendant INTERNATIONAL had never purchased the foreign crude oil from the defendant AG or sold it to Charter's subsidiary. The defendant MARC RICH instructed the comptroller for the defendant INTERNATIONAL to notify his counterpart at the defendant AG in Zug, Switzerland, to prepare these fraudulent invoices. As a result, the defendant INTERNATIONAL fraudulently reduced the amount of the defendant INTERNATIONAL's taxable income for 1980 by \$31,106,273.08 and transferred most of that sum offshore to the defendant AG.

(r) In and around September 1980, in order to make the invoices further appear as if there had been an actual contract between the defendant AG and the defendant INTERNATIONAL, the defendant AG sent the defendant INTERNATIONAL new invoices which

read "contract price" rather than "fair market value." The old invoices were destroyed and the new invoices were placed in the defendant INTERNATIONAL's records.

(s) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, various telexes, telefaxes, and wire and cable transfers of monies, including the wire transfers of monies sent by the defendant INTERNATIONAL from the United States to foreign bank accounts of the defendant AG resulting from transactions involving oil tankers, as set forth below:

<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE</u>	<u>NAME OF VESSEL(S)</u>
(19) wire transfer to AG of \$29,157,628.90 by International	September 29, 1980	"Luna Mar", "Devali," "World Scholar" and "Ratna Jayshree"
(20) wire transfer to AG of \$1,659,472.80 by International	April 7, 1981	"Santamar"

The Arco False Deduction

(t) In or about the Fall of 1980, the defendants and their co-racketeers would and did cause a fraudulent invoice to be prepared wherein Rescor invoiced the defendant INTERNATIONAL for \$2,716,510.00. This invoice concerned a non-existent contract between Rescor and the defendant INTERNATIONAL concerning the sale of foreign crude oil to Rescor by the defendant INTERNATIONAL. The fraudulent invoice made it appear that the defendant INTERNATIONAL

had a contract with Rescor to sell it foreign crude oil. The fraudulent invoice made it further appear that the defendant INTERNATIONAL had failed to provide the oil under this purported contract and that consequently Rescor had had to purchase a similar quantity of oil from Arco at five dollars per barrel above the purported contract price between Rescor and the defendant INTERNATIONAL. As a result, the defendants fraudulently reduced the amount of the defendant INTERNATIONAL's taxable income for 1980 by \$2,716,510.00 and transferred that sum offshore to the defendant AG.

(u) Just as with the fraudulent Charter invoices, the defendant MARC RICH instructed the comptroller of the defendant INTERNATIONAL to notify his counterpart at the defendant AG in Zug, Switzerland to prepare this fraudulent invoice for Rescor to be delivered to the defendant INTERNATIONAL.

(v) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, various telexes, telefaxes, and wire and cable transfers of monies, including the wire transfer from the defendant INTERNATIONAL to Rescor for a shipment on the oil tanker "Wind Escort," as set forth below:

<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>NAME OF VESSEL(S)</u>
(21) wire transfer to Rescor of \$2,716,510.00 by International	August 27, 1981	"Wind Escort"

The Scheme to Defraud The
Department of Energy

26. It was part of said scheme and artifice to defraud the DOE that the huge profits of the defendant INTERNATIONAL held on the books of Listo and WTM were derived by the defendants through a deliberate attempt to violate and circumvent the price control and markup regulations of the DOE.

Method and Means

27. Among the methods and means employed by the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL and their co-racketeers to carry out the scheme and artifice to defraud described in Paragraph 11(ii) and Paragraph 26 above, were the following:

(a) The defendants and their co-racketeers would and did cause forms ERA-69 for the defendant INTERNATIONAL to be prepared and filed with the DOE for the months September 1980, through January 1981, which falsely failed to reflect the approximately \$71 million of profits of the defendant INTERNATIONAL kept in the WTM and Listo "pots." These forms ERA-69 fraudulently stated that the defendant INTERNATIONAL was losing money on its crude oil sales for these months and that its average markup for crude oil sales was within its 20¢ per barrel permissible average markup.

(b) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did place and cause to be placed in a post office and authorized depository for mail matter and did cause to be delivered by mail according to directions thereon mail matter to be sent and delivered by the United States Postal Service as set forth below:

<u>MAIL COMMUNICATION</u>	<u>APPROXIMATE DATE OF MAILING</u>
(22) ERA-69 for September 1980 sent by Express Mail to DOE	December 1, 1980
(23) ERA-69 for November 1980 sent by Express Mail to DOE	January 30, 1981
(24) ERA-69 for December 1980 Sent by Express Mail to DOE	January 27, 1981
(25) ERA-69 for January 1981 sent by Express Mail to DOE	March 31, 1981

The Scheme to Defraud The Department
of Treasury Regarding Prohibited
Iranian Deals

28. It was a part of the scheme and artifice to defraud the Department of Treasury and its Office of Foreign Assets Control that during the American hostage crisis in Iran the defendants MARC RICH and PINCUS GREEN -- both United States citizens -- would and did in violation of federal law cause

United States dollars to be paid through banks in the United States to the National Iranian Oil Company to purchase crude oil and fuel oil which the defendants MARC RICH and PINCUS GREEN had pre-sold from the United States to third parties.

Methods and Means

29. Among the methods and means employed by the defendants MARC RICH, PINCUS GREEN, AG and INTERNATIONAL and others known and unknown to the grand jury, to carry out the scheme described in Paragraph 11(iii) and Paragraph 28 above, were the following:

(a) On November 4, 1979, Iranian nationals invaded the U.S. Embassy in Teheran, Iran. Thereafter, 53 American citizens were held hostage for over 14 months until their release on January 19, 1981.

(b) On November 14, 1979, President Carter, under the International Economic Emergency Powers Act of 1977, issued Executive Order # 12170 to block and freeze all property and interests in property of the Government of Iran and any of its instrumentalities and controlled entities, including the National Iranian Oil Company ("NIOC"), which were or became subject to the jurisdiction of the United States or which were or came within the possession or control of persons subject to the United States.

(c) On November 15, 1979, the Department of Treasury through its Office of Foreign Assets Control issued regulations to implement President Carter's Executive Order # 12170. The effect of the regulations was that various transactions with Iran and its controlled entities were prohibited in the absence of a license from the Department of Treasury.

(d) On April 7, 1980, President Carter issued Executive Order # 12205 under the International Emergency Economic Powers Act which imposed a trade embargo on Iran. On April 9, 1980, the Department of Treasury through its Office of Foreign Assets Control issued regulations to implement President Carter's Executive Order # 12205.

(e) On April 17, 1980, President Carter issued Executive Order # 12211 to expand the provisions of Executive Orders # 12170 and # 12205 by prohibiting the payment or transfer of any funds from the United States to any Iranian person as well as the Government of Iran or any of its controlled entities, such as NIOC, as had been previously prohibited without license by Executive Order # 12170. On April 21, 1980, the Department of Treasury through its Office of Foreign Assets Control issued regulations which implemented President Carter's Executive Order # 12211.

(f) The various regulations required every individual and entity engaging in any transaction subject to the prohibitions to keep records to be available for examination by the Office of Foreign Assets Control.

(g) During the hostage crisis, the defendant AG entered into contracts with the National Iranian Oil Company ("NIOC") to purchase Iranian crude and fuel oil, including contract # 244 on April 30, 1980, for the purchase of crude and fuel oil from May 1, 1980, through September 30, 1980. The terms of the contracts gave the defendant AG sixty days after the date of delivery to make payment to NIOC in American dollars through letters of credit posted by the defendant AG in favor of NIOC.

(h) Beginning on or about May 1, 1980, prior to the delivery of this Iranian crude oil and fuel oil under the contracts the defendant AG had with NIOC, the defendants MARC RICH and PINCUS GREEN -- both United States citizens -- negotiated from the offices of the defendant INTERNATIONAL in New York, New York, with the principal of Transworld Oil, Bermuda, the sale of approximately 6,250,000 barrels of Iranian crude oil and fuel oil for approximately \$202,806,291.00. The defendants MARC RICH and PINCUS GREEN would and did cause payment to be ultimately effected to NIOC with American dollars by using commercial credit arrangements involving United States banks and United States branch offices of foreign banks located in New York, New York, all in violation of the various Executive Orders of President Carter and the underlying regulations. These payment arrangements for the Iranian oil, which were effected through banks

located in New York, New York, were consummated by "back to back" letters of credit wherein Transworld Oil would make payment to the defendant AG in United States dollars, normally within thirty days of delivery, and the defendant AG would then in turn make payment to NIOC in United States dollars within sixty days of delivery.

(i) To further the scheme, the defendants and their co-racketeers did not disclose to these banks in the United States -- which were also prohibited from knowingly transferring any funds to Iran -- that the ultimate beneficiary of the United States dollars was NIOC.

(j) To further the scheme, in or about July 1980, the defendants and their co-racketeers devised a secret code for interoffice cable communications when referring to the illegal Iranian transactions, in order to disguise the participation of NIOC. Telexes containing this secret code were maintained in the New York records of the defendant INTERNATIONAL which, pursuant to the regulations, were subject to examination by the Department of Treasury's Office of Foreign Assets Control.

(k) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-racketeers would and did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, certain telexes and wire and cable transfers of monies, as set forth below:

<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>
(26) wire transfer of \$8,239,385.90 from New York to Zurich, Switzerland	July 7, 1980
(27) wire transfer of \$56,187,197.00 from New York to Zurich, Switzerland	July 7, 1980
(28) wire transfer of \$56,356,234.00 from New York to Paris, France	July 14, 1980
(29) wire transfer of \$8,408,685.00 from New York to Paris, France	July 17, 1980
(30) wire transfer of \$7,745,185.00 from New York to Paris, France	August 1, 1980
(31) wire transfer of \$4,671,022.50 from New York to Paris, France	September 2, 1980
(32) wire transfer of \$4,844,487.50 from New York to Paris, France	September 11, 1980
(33) wire transfer of \$56,463,649.00 from New York to Paris, France	September 30, 1980
(34) Telex # NYC 143 from Pincus Green in New York to AG (London) and AG (Zug)	May 1, 1980
(35) Telex # NYC 171 from Marc Rich in New York to AG (London) and AG (Zug)	May 7, 1980
(36) Telex # NYC 138 from Pincus Green in New York to AG (London)	May 7, 1980
(37) Telex # NYC 139 from Pincus Green in New York to AG (London) and AG (Zug)	May 7, 1980
(38) Telex # NYC 174 from Marc Rich in New York to AG (London) and AG (Zug)	May 8, 1980
(39) Telex # NYC 042 from Marc Rich in New York to AG (London) and AG (Zug)	May 12, 1980
(40) Telex # NYC 146 from Pincus Green in New York to AG (London)	August 14, 1980

(Title 18, United States Code, Section 1962(d).)

COUNT TWO

RACKETEERING

The Grand Jury further charges:

30. Each and every allegation contained in Paragraphs 1 through 8 and 11 through 29 of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

31. From on and about January 1, 1980, up to and including the date of filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, being individuals and entities employed by and associated with an enterprise, as defined in 18 U.S.C. § 1961(4), engaged in and the activities of which affect interstate and foreign commerce, to wit, AG and its wholly-owned subsidiaries, the defendant INTERNATIONAL, Rescor and Highams, unlawfully, wilfully and knowingly, did conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, as defined in 18 U.S.C. § 1961(5), consisting of the racketeering acts set forth in Paragraphs 12 through 29, and all of the subparts contained therein, of Count One of this Indictment, in violation of Title 18, United States Code, Section 1962(c).

32. It was part of the pattern of racketeering activity that MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, together with others known and unknown to the

grand jury ("co-racketeers"), unlawfully, wilfully, and knowingly would and did devise and intend to devise schemes and artifices to defraud the United States, and its agencies thereof, to wit:

(i) The Internal Revenue Service, and in so doing committed the 21 Acts of Racketeering set forth below, and also set forth in detail in Paragraph 11(i), Paragraphs 12 through 15 and Paragraph 25 of Count One;

(ii) The Department of Energy, and in so doing committed the 4 Acts of Racketeering set forth below, and also set forth in detail in Paragraph 11(ii) and Paragraphs 26 and 27 of Count One; and

(iii) The Department of Treasury, and in so doing committed the 15 Acts of Racketeering set forth below, and also set forth in detail in Paragraph 11(iii) and Paragraphs 28 and 29 of Count One.

I. THE SCHEME TO DEFRAUD IRS

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
	WTM "Pot"		
(1) wire transfer to AG of \$12,507,818.40 (including \$1,786,831.00 from the "pot") by WTM: "Arctic Star"	October 21, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(2) wire transfer to AG of \$4,050,000.00 by WTM from the "pot": "Norse King"	October 23, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International

	<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
(3)	wire transfer to AG of \$5,384,217.00 by • WTM from the "pot": "Olympic Bond"	January 5, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(4)	wire transfer to AG of \$5,000,000.00 by WTM from the "pot": "Nia Rocco Piaggio" and "Okinoshima Maru"	January 30, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(5)	wire transfer to AG of \$1,199,974.00 by WTM from the "pot": "Okinoshima Maru"	February 9, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(6)	wire transfer to AG of \$5,141,709.00 by WTM from the "pot": "Romo Maersk"	February 23, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(7)	wire transfer to Highams of \$1,215,000.00 by WTM from the "pot": "Philip of Macedon"	May 4, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
	. Listo "Pot"			
(8)	wire transfer to AG of \$32,950,790.78 (including \$4,131,620.24 from the "pot") by Listo: "Montessa"	December 5, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(9)	wire transfer to AG of \$4,259,844.00 by Listo from the "pot": " Universe Explorer"	December 15, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(10)	wire transfer to AG of \$18,605,470.63 (including \$2,241,743.45 from the "pot") by Listo: "Alnair II"	December 23, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(11)	wire transfer to AG of \$19,946,909.84 (including \$2,266,694.30 from the "pot") by Listo: "Lamyra"	December 31, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
(12) wire transfer to AG of \$5,291,409.82 by Listo from the "pot": "Arctic Star"	January 27, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(13) wire transfer to AG of \$3,349,660.34 by Listo from the "pot": "Ionian Commander"	January 30, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(14) wire transfer to AG of \$1,873,584.45 by Listo from the "pot": "Jeci"	February 2, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(15) wire transfer to AG of \$6,396,201.22 by Listo from the "pot": "Keiyoh Maru"	February 11, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(16) wire transfer to AG of \$5,315,478.50 by Listo from the "pot": "White Gardenia"	March 3, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(17) wire transfer to AG of \$9,452,307.00 by Listo from the "pot": "Jamunda" and "Norse King"	May 5, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(18) wire transfer to Rescor of \$3,000,000.00 by Listo from the "pot": "Philip of Macedon" and "Okinoshima Maru"	May 14, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International

Charter False Deductions

(19) wire transfer to AG of \$29,157,628.90 by International: "Luna Mar", "Devali," "World Scholar" and "Ratna Jayshree"	September 29, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(20) wire transfer to AG of \$1,659,472.80 by International: "Santamar"	April 7, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
	Arco False Deduction		
(21) wire transfer to Rescor of \$2,716,510.00 by International: "Wind Escort"	August 27, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International

II. THE SCHEME TO DEFRAUD THE DOE

(22) ERA-69 for September 1980 Sent by Express Mail to DOE	December 1, 1980	18 USC §§ 1341 and 2	Rich, Green, AG and International
(23) ERA-69 for November 1980 Sent by Express Mail to DOE	January 30, 1981	18 USC §§ 1341 and 2	Rich, Green, AG and International
(24) ERA-69 for December 1980 Sent by Express Mail to DOE	January 27, 1981	18 USC §§ 1341 and 2	Rich, Green, AG and International
(25) ERA-69 for January 1981 Sent by Express Mail to DOE	March 31, 1981	18 USC §§ 1341 and 2	Rich, Green, AG and International

III. THE SCHEME TO DEFRAUD THE DEPARTMENT
OF TREASURY REGARDING PROHIBITED
IRANIAN DEALS

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
(26) wire transfer of \$8,239,385.90 from New York to Switzerland	July 7, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(27) wire transfer of \$56,187,197.00 from New York to Switzerland	July 7, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(28) wire transfer of \$56,356,234.00 from New York to Paris, France	July 14, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(29) wire transfer of \$8,405,685.00 from New York to Paris, France	July 17, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(30) wire transfer of \$7,745,185.00 from New York to Paris, France	August 1, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(31) wire transfer of \$4,671,022.50 from New York to Paris, France	September 2, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(32) wire transfer of \$4,844,487.50 from New York to Paris, France	September 11, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(33) wire transfer of \$56,463,649.00 from New York to Paris, France	September 30, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(34) Telex #NYC 143 from Pincus Green in New York to AG (London) and AG (Zug)	May 1, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANT</u>
(35) Telex #NYC 171 from Marc Rich in New York to AG (London) and AG (Zug)	May 7, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(36) Telex #NYC 138 from Pincus Green in New York to AG (London)	May 7, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(37) Telex # NYC 139 from Pincus Green in New York to AG (London) and AG (Zug)	May 7, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(38) Telex #NYC 174 from Marc Rich in New York to AG (London)	May 8, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(39) Telex #NYC 042 from Marc Rich in New York to AG (London) and AG (Zug)	May 12, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(40) Telex #NYC 146 from Pincus Green in New York to AG (London)	August 14, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International

(Title 18, United States Code, Sections 1962(c) and 2).)

FORFEITURES

33. Each and every allegation contained in Count One and Count Two of this Indictment is hereby realleged and incorporated by reference herein as if fully set forth for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Sections 1963(a)(1) and 1963(a)(2).

34. The defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL a/k/a "Clarendon A.G. (Ltd., S.A.)," its purported successor in interest, have acquired and maintained interests from violations of Title 18, United States Code, Section 1962, and have interests in, securities of, claims against and property and contractual rights affording each defendant a source of influence over the enterprise, which enterprise each defendant established, operated, controlled, conducted and participated, directly and indirectly, in the conduct of through a pattern of racketeering, and conspired to do so, in violation of Title 18, United States Code, Section 1962(c) and (d), thereby making all such interests, securities of, claims against, property and contractual rights, wherever located, in whatever names held, subject to forfeiture to the United States as of the date they were acquired, maintained and utilized.

35. The interests of the defendants MARC RICH, PINCUS GREEN and CLYDE MELTZER, subject to forfeiture to the United States, include any interests and proceeds therefrom each defendant has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to:

(a) dividends, salaries, bonuses, and pension benefits paid by any of the corporate entities comprising or associated with the enterprise; and

(b) any interests purchased or obtained with the monies set forth in subparagraph (a) above including, but not limited to personalty, real estate, and investments, wherever located and in whatever names;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to all stock, securities, notes, rights, warrants, and options, wherever located and in whatever names, and all offices and titles, in any of the corporate entities comprising or associated with the enterprise.

36. The interests of the defendant AG subject to forfeiture to the United States include any interests and proceeds therefrom that the defendant AG has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to:

(a) all monies received and specified in this Indictment, including monies paid to Rescor, Inc. and Highams Consultants, AG's wholly-owned subsidiaries, and

(b) all assets, interests and investments, including loans and receivables, wherever located and in whatever names, purchased or obtained with the monies set forth in subparagraph (a) above and profits derived therefrom, including in excess of \$37 million owed to the defendant AG by Guam Oil and Refining Company and the interests of Richco Holdings, B.V. in TCF Holdings, Inc.;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to:

(a) all stock, securities, notes, rights, warrants and options, wherever located and in whatever names, in the defendant INTERNATIONAL, Rescor, Inc. and Highams Consultants and any and all of their subsidiaries, including but not limited to Century Chartering Co., Inc.;

(b) all assets, wherever located and in whatever name, of the entities set forth in subparagraph (a) above, including but not limited to:

1. bank accounts
2. accounts receivables
3. securities, stock, notes,
rights, warrants and options
4. contracts
5. leaseholds, including the
leasehold at 650 Fifth Avenue,
New York, New York
6. inventory
7. office equipment, furnishings
and fixtures
8. interests in realty and
minerals, including oil and gas
properties described in a
Mortgage, Security Agreement,
Financing Statement and Assign-
ment dated August 4, 1983, by
Clarendon Ltd. and Century
Chartering Co., Inc. to and in
favor of the United States of
America.

9. Proceeds of any purported sale of any interest in the defendant INTERNATIONAL, including proceeds of a purported sale of the defendant INTERNATIONAL to Alexander Hackel and others on June 30, 1983.

37. The interests of the defendant INTERNATIONAL subject to forfeiture to the United States include any interests and proceeds therefrom that the defendant INTERNATIONAL has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to

- (a) all monies received and specified in this Indictment; and
- (b) all assets, interests and investments, including loans and receivables, wherever located and in whatever names, purchased or obtained with the monies set forth in subparagraph (a) above and profits derived therefrom or purchased or obtained with monies that were due and owing to the United States of America as a consequence of the violations of law set forth in this Indictment;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to, all stock, securities, notes, rights, warrants and options, wherever located, in whatever names, in all subsidiaries, including but not limited to Century Chartering Co., Inc.

(Title 18, United States Code, Section 1963.)

THE INCOME TAX EVASION COUNTS

COUNT THREE

Tax Evasion for 1980

The Grand Jury further charges:

37. Each and every allegation contained in Paragraphs 12 through 25, and all its subparts contained therein, of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

38. On or about September 17, 1981, in the Southern District of New York, MARC RICH, PINCUS GREEN, CLYDE MELTZER, and INTERNATIONAL, the defendants, together with AG, not named as a defendant in this count, unlawfully, wilfully and knowingly did attempt to evade and defeat a large part of the income tax due and owing by the defendant INTERNATIONAL to the United States of America for the calendar year 1980, by preparing and causing to be prepared and by filing and causing to be filed a false and fraudulent income tax return for the defendant INTERNATIONAL,

which return stated that the taxable income for said calendar year was \$1,091,431.00 and that the amount of income tax due and owing thereon was \$413,374.00, whereas, as the defendants then and there well knew, the true taxable income of, and the true income tax due and owing by the defendant INTERNATIONAL to the United States for said calendar year were substantially in excess of the amounts reported on said return, to wit, the defendant INTERNATIONAL's true taxable income for said calendar year was at least \$53,650,947.07, upon which there was due and owing to the United States an income tax of approximately \$24,590,751.65.

(Title 26, United States Code, Sections 7201 and 2.)

COUNT FOUR

Tax Evasion for 1981

The Grand Jury further charges:

39. Each and every allegation contained in Paragraphs 12 through 25, and all of its subparts contained therein of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

40. On or about September 22, 1982, in the Southern District of New York, MARC RICH, PINCUS GREEN, CLYDE MELTZER, and INTERNATIONAL, the defendants, together with AG, not named as a defendant in this count, unlawfully, wilfully and knowingly did attempt to evade and defeat a large part of the income tax due

and owing by the defendant INTERNATIONAL to the United States of America for the calendar year 1981, by preparing and causing to be prepared and by filing and causing to be filed a false and fraudulent income tax return for the defendant INTERNATIONAL, which return stated that the taxable income for said calendar year was \$2,424,172.00 and that the amount of income tax due and owing thereon was \$235,525.00, whereas, as the defendants then and there well knew, the true taxable income, and the true income tax due and owing, by the defendant INTERNATIONAL to the United States for said calendar year were substantially in excess of the amounts reported on said return, to wit, the defendant INTERNATIONAL's true taxable income for said calendar year was at least \$55,043,714.33, upon which there was due and owing to the United States an income tax of approximately \$24,440,514.59.

(Title 26, United States Code, Section 7201 and 2.)

THE MAIL AND WIRE FRAUD COUNTS

COUNTS FIVE THROUGH TWENTY-FOUR

The Scheme to Defraud the IRS

The Grand Jury further charges:

40. Each and every allegation contained in Paragraphs 12 through 25, and all its subparts contained therein, of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

41. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, the defendants, together with other co-schemers, unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and its agencies thereof, to wit, the Internal Revenue Service, in its lawful governmental service of administering and overseeing the collection of taxes in the United States, and to obtain money and property by false and fraudulent pretenses, representations and promises.

42. For the purposes of executing said scheme and artifice to defraud and attempting to do so, on or about the dates set forth below, the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL unlawfully, wilfully and knowingly, did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, certain telexes, telefaxes and wire transfers of monies, all as more particularly set forth in Counts Five through Twenty-Four herein below:

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
		<u>WTM "pot"</u>	
5	wire transfer to AG of \$12,507,818.40 (including \$1,786,831.00 from the pot) by WTM: "Arctic Star"	October 21, 1980	Rich, Green, AG and International
6	wire transfer to AG of \$4,050,000.00 by WTM from the "pot": "Norse King"	October 23, 1980	Rich, Green, AG and International
7	wire transfer to AG of \$5,384,217.00 by WTM from the "pot": "Olympic Bond"	January 5, 1981	Rich, Green, AG and International
8	wire transfer to AG of \$5,000,000.00 by WTM from the "pot": "Nia Rocco Piaggio" and "Okinoshima Maru"	January 30, 1981	Rich, Green, AG and International
9	wire transfer to AG of \$1,199,974.00 by WTM from the "pot": "Okinoshima Maru"	February 9, 1981	Rich, Green, AG and International
10	wire transfer to AG of \$5,141,709.00 by WTM from the "pot": "Romo Maersk"	February 23, 1981	Rich, Green, AG and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>DEFENDANT</u>
		<u>Listo "Pot"</u>	
11	wire transfer to AG of \$32,950,790.78 (including \$4,131,620.24 from the pot) by Listo: "Montessa"	December 5, 1980	Rich, Green, Meltzer, AG, and International
12	wire transfer to AG of \$4,259,844.00 by Listo from the "pot": " Universe Explorer"	December 15, 1980	Rich, Green, Meltzer, AG, and International
13	wire transfer to AG of \$18,605,470.63 (including \$2,241,743.45 from the "pot") by Listo: "Alnair II"	December 23, 1980	Rich, Green, Meltzer, AG, and International
14	wire transfer to AG of \$19,946,906.84 (including \$2,266,694.30 from the "pot") by Listo: "Lamyra"	December 31, 1980	Rich, Green, Meltzer, AG, and International
15	wire transfer to AG of \$5,291,409.80 by Listo from the "pot": "Arctic Star"	January 27, 1981	Rich, Green, Meltzer, AG, and International
16	wire transfer to AG of \$3,349,660.34 by Listo from the "pot": "Ionian Commander"	January 30, 1981	Rich, Green, Meltzer, AG, and International
17	wire transfer to AG of \$1,873,584.45 by Listo from the "pot": "Jeci"	February 2, 1981	Rich, Green, Meltzer, AG, and International
18	wire transfer to AG of \$6,396,202.22 by Listo from the "pot": "Keiyoh Maru"	February 11, 1981	Rich, Green, Meltzer, AG, and International
19	wire transfer to AG of \$5,315,478.50 by Listo from the "pot": "White Gardenia"	March 3, 1981	Rich, Green, Meltzer, AG, and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>DEFENDANT</u>
20	wire transfer to AG of \$9,452,307.00 by Listo from the "pot": "Jamunda" and "Norse King"	May 5, 1981	Rich, Green, Meltzer, AG, and International
21	wire transfer to Rescor of \$3,000,000.00 by Listo: "Philip of Macedon" and "Okinoshima Maru"	May 14, 1981	Rich, Green, Meltzer, AG, and International
<u>Charter False Deductions</u>			
22	wire transfer to AG of \$29,157,628.90 by International: "Luna Mar", "Devali," "World Scholar" and "Ratna Jayshree"	September 29, 1980	Rich, Green, AG and International
23	wire transfer to AG of \$1,659,472.80 by International: "Santamar"	April 7, 1981	Rich, Green, AG and International
<u>Arco False Deduction</u>			
24	wire transfer to Rescor of \$2,716,510.00 by International: "Wind Escort"	August 27, 1981	Rich, Green, AG and International

(Title 18, United States Code, Sections 1343 and 2.)

COUNTS TWENTY-FIVE THROUGH TWENTY-EIGHT

The Scheme to Defraud the DOE

The Grand Jury further charges:

43. Each and every allegation contained in Paragraphs 12 through 27, and all of its subparts contained therein, of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

44. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, together with other co-schemers, unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and its agencies thereof, to wit, the Department of Energy, in its lawful governmental service of administering and overseeing the laws and regulations which provided for price controls and markup requirements for the sale of crude oil produced in or imported into the United States, and to obtain money and property by false and fraudulent pretenses, representations and promises.

45. For the purposes of executing such scheme and arfitice to defraud and attempting to do so, on or about the dates set forth below, the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL unlawfully, wilfully and

knowingly, did place and cause to be placed in a post office and authorized depository for mail matter and did cause to be delivered by mail according to the directions thereon certain mail matter to be sent and delivered by the United States Postal Service, all as more particularly set forth in Counts Twenty-Five through Twenty-Eight herein below.

<u>COUNT</u>	<u>MAIL COMMUNICATION</u>	<u>APPROXIMATE DATE OF MAILING</u>	<u>DEFENDANT</u>
25	ERA-69 for September 1980 Sent by Express Mail to DOE	December 1, 1980	Rich, Green, Meltzer, AG and International
26	ERA-69 for November 1980 Sent by Express Mail to DOE	January 30, 1981	Rich, Green, Meltzer, AG and International
27	ERA-69 for December 1980 Sent by Express Mail to DOE	January 27, 1981	Rich, Green, Meltzer, AG and International
28	ERA-69 for January 1981 Sent by Express Mail to DOE	March 31, 1981	Rich, Green, Meltzer, AG and International

(Title 18, United States Code, Sections 1341 and 2.)

COUNTS TWENTY-NINE THROUGH FORTY-THREE

The Scheme To Defraud the Department
of Treasury Re: Iranian Deals

The Grand Jury further charges:

46. Each and every allegation contained in Paragraphs 28 and 29, and all of its subparts contained therein, of Count One of this Indictment is realleged and incorporated by reference herein as if fully set forth.

47. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, AG and INTERNATIONAL, the defendants, unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and its agencies thereof, to wit, the Department of Treasury and its Office of Foreign Assets Control, in its lawful governmental service of administering and overseeing the laws and regulations which prohibited commercial transactions and credit transactions involving Iran during the American hostage crisis, and to obtain money and property by false and fraudulent pretenses, representations and promises.

48. For the purpose of executing such scheme and artifice to defraud, and attempting to do so, on or about the dates set forth below, the defendants MARC RICH, PINCUS GREEN, AG and INTERNATIONAL unlawfully, wilfully and knowingly, did transmit and cause to be transmitted by means of wire, radio and

1.

television communication, in interstate and foreign commerce, certain telexes, telefaxes and wire transfers of monies, all as more particularly set forth in Counts Twenty-Nine through Forty-Three herein below.

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
29	wire transfer of \$8,239,385.90 from New York to Zurich, Switzerland	July 7, 1980	Rich, Green, AG and International
30	wire transfer of \$56,187,197.00 from New York to Zurich, Switzerland	July 7, 1980	Rich, Green, AG and International
31	wire transfer of \$56,356,234.00 from New York to Paris, France	July 14, 1980	Rich, Green, AG and International
32	wire transfer of \$8,408,685.00 from New York to Paris, France	July 17, 1980	Rich, Green, AG and International
33	wire transfer of \$7,745,130.00 from New York to Paris, France	July 31, 1980	Rich, Green, AG and International
34	wire transfer of \$4,671,022.50 from New York to Paris, France	September 2, 1980	Rich, Green, AG and International
35	wire transfer of \$4,844,487.50 from New York to Paris, France	September 11, 1980	Rich, Green, AG and International
36	wire transfer of \$56,463,649.00 from New York to Paris, France	September 30, 1980	Rich, Green AG and International
37	Telex #NYC 143 from Pincus Green in New York to AG (London) and AG (Zug)	May 1, 1980	Rich, Green, AG and International
38	Telex #NYC 171 from Marc Rich in New York to AG (London) and AG (Zug)	May 7, 1980	Rich, Green, AG and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
39	Telex #NYC 138 from Pincus Green in New York to AG (London)	May 7, 1980	Rich, Green, AG and International
40	Telex # NYC 139 from Pincus Green in New York to AG (London) and AG (Zug)	May 7, 1980	Rich, Green, AG and International
41	Telex #NYC 174 from Marc Rich in New York to AG (London)	May 8, 1980	Rich, Green, AG and International
42	Telex #NYC 042 from Marc Rich in New York to AG (London) and AG (Zug)	May 12, 1980	Rich, Green, AG and International
43	Telex #NYC 146 from Pincus Green in New York to AG (London)	August 14, 1980	Rich, Green, AG and International

(Title 18, United States Code, Sections 1343 and 2.)

TRADING WITH IRAN COUNTS

COUNTS FORTY-FOUR THROUGH FIFTY-ONE

49. Each and every allegation contained in Paragraphs 28 and 29, and all of its subparts contained therein, of Count One of this Indictment is realleged and incorporated by reference as if fully set forth herein.

50. During a period from in or about April 1980, up to and including January 19, 1981, in the Southern District of New York and elsewhere, at the time when United States citizens were being held hostage in Iran, MARC RICH and PINCUS GREEN, the defendants, who were United States citizens subject to the jurisdiction of the United States, unlawfully, wilfully and

knowingly, in transactions involving Iran, an Iranian governmental entity, and an enterprise controlled by Iran and an Iranian governmental entity, did make and cause to be made payments, transfers of credit, and other transfers of funds and other property and interests to persons in Iran, to wit, the defendants MARC RICH and PINCUS GREEN caused United States dollars from banks located in the United States to be transferred to the National Iranian Oil Company ("NIOC") to pay for crude oil and fuel oil which AG had purchased directly from NIOC and which the defendants MARC RICH and PINCUS GREEN had pre-sold from the offices of INTERNATIONAL in the United States to third-party companies as more specifically set forth below:

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
44	53,129 metric tons of fuel oil	TransWorld Oil	US \$8,233,544.40 by Letter of Credit issued in favor of NIOC by Union Bank of Switzerland (UBS), Switzerland, covered through a bank in New York, New York to Bank Markazi, Iran acct. at UBS, Switzerland	July 7, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
45	1,531,658 barrels of crude oil and 5990 metric tons of fuel oil	TransWorld Oil	US \$56,186,536.00 by Letter of Credit issued in favor of NIOC by UBS, Switzerland, covered through a bank in New York, New York to Zurich, Switzerland to Bank Markazi, Iran Acct. at Midland Bank, London, England	July 7, 1980
46	1,568,430 barrels of crude oil and 3158 metric tons of fuel oil	TransWorld Oil	U.S. \$56,356,234.00 by Letter of Credit issued by Banque de Paris et des Pays-Bas, Paris, covered through a bank in New York, New York to Banque de Paris et des Pays-Bas, Paris, France to Bank Markazi, Iran account at Midland Bank, London, England	July 14, 1980
47	370,418 barrels of fuel oil	TransWorld Oil	US \$8,334.40500 by Letter of Credit issued in favor of NIOC by UBS, Switzerland, covered through a bank in New York, New York, to Societe Generale, Paris, France, to UBS, Zug, Switzerland to Bank Markazi, Iran account at Midland Bank, London, England	July 17, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
48	52,098 metric tons of fuel oil	TransWorld Oil	US \$7,745,130.00 by Letter of Credit issued in favor of NIOC by Credit Lyonnais, Paris covered through a bank in New York New York to Credit Lyonnais, Paris to Bank Markazi, Iran account at Midland Bank, London, England	July 31, 1980
49	31,367 metric tons of fuel oil	TransWorld Oil	US \$4,671,022.50 by Letter of Credit issued in favor of NIOC by Banque de Paris et des Pays Bas, France covered through a bank in New York, New York, to Bank Markazi, Iran acct. at Banque Nationale de Paris, France	September 2, 1980
50	31,614 metric tons of fuel oil	TransWorld Oil	US \$4,844,487.50 by Letter of Credit issued in favor of NIOC by Banque de Paris et des Pays Bas, France covered through a bank in New York, New York, to Bank Markazi, Iran Acct. at Banque Nationale de Paris, France	September 11, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
51	1,607,887 barrels of crude oil	TransWorld Oil	US \$56,463,649.20 by Letter of Credit issued in favor of NIOC by Societe General, France, covered through a bank in New York, New York, to Bank Markazi, Iran Acct. at Banque Nationale de Paris, Paris, France	September 30, 1980

(31 CFR §§ 535.206(a)(4), § 535.208, 535.701; Title 50,
United States Code, Section 1705; and Title 18, United
States Code, Section 2.)

GRAND JURY FOREPERSON

RUDOLPH W. GIULIANI
United States Attorney

Memorandum



ADIC *[initials]*
DADIC *[initials]*
SAC 1 _____
SAC 2 _____
SAC 3 _____
SAC 4 _____
ASAC 1 _____
ASAC MN-2 *F*
ASAC OC-2 _____
ASAC BQ-2 _____
ASAC NR-2 _____
ASAC 3 _____
ASAC 4 _____
SPM *16122* *[initials]*
SUPVR _____

To : SAC, II (196A-1774) (P) (M-1)

Date 9/6/83

From : *D* SUPV.

b6
b7C

Subject : MARC RICH, DBA;
MARC RICH AND COMPANY INTERNATIONAL
LTD.; AKA
CLARENDON, LTD.;
MARC RICH AND COMPANY A.G.;
PINCUS GREEN;

FBW - ENERGY RELATED
(OO: NY)

b6
b7C

Attached - rough draft copy of 45 count indictment anticipated to be filed week of 9/12/83.

During week of 9/12/83, it is anticipated a joint press conference will be given following filing of attached indictment. Participants in conference will include: USA, SDNY, AUSA SAC - U.S. Customs and representative from Internal Revenue Service (IRS). FBI participation requested at SAC level or higher.

b6
b7C

Summary of indictment consists of following: Marc Rich, Pincus Green, Marc Rich & Co. International, aka "Clarendon Ltd.", and Marc Rich & Co., A.G. are being indicted with: One count - RICO (T18, USC, 1962(c) - 20 yrs. \$25,000 fine and forfeitures); one count - RICO - Conspiracy (T18, USC, 1962(d) - 20 yrs. \$25,000 fine and forfeitures); four counts - Mail Fraud (T18, USC, 1341 - 5 years \$1,000 fine); 31 counts - Wire Fraud (T18, USC 1343 - 5 yrs., \$1,000 fine); Two counts - Tax Evasion (T26, USC 7201 & 2 - 5 yrs \$10,000 fine, and Six counts - Trading with Enemy Act (T 50, USC 1705 - 10 yrs. \$50,000 fine). Total exposure of 285 years and \$405,000 in fines.

- 1 -ASAC
- 1 - Supv. M-1
- 1 - Press Office
- 1 - 196A-1774

b6
b7C

MEB:mms
(#)

DATE OF
CONF now SET
F.A. wk of 9/19/83.
EV
9/15/83

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

197A-1774-150

M-JF JF

P

1
NY 196A-1774
MEB:mms

With RICO forfeiture clause, Government is expected to recover in excess of \$100 million. It should also be noted that indictment is expected to be superceded to include approximately an additional \$200 million obtained by captioned using charged racketeering scheme.

[redacted] will be included in superceding indictment.

b6
b7C

For background, captioned investigation began in October, 1981. With help of cooperators an elaborate scheme to defraud public and Government out of millions of illegally generated oil profits was uncovered. As investigation developed, IRS and Customs violations surfaced. Scheme is explained in detail in attached indictment, however, put simply, captioned generated millions of dollars of profits by changing certifications of oil transactions. These profits were moved off-shore and subsequently U.S. taxes were avoided.

Currently, approximately [redacted] from captioned are [redacted]. Further investigation expected to show captioned purchased arms for Iranian Government during hostage crisis and an additional \$600 million of U.S. income moved off-shore. A portion of this income was used to purchase 50% interest in 20th Century Fox Movie Studios.

b3

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription September 7, 1983

[redacted]
[redacted]
[redacted] was contacted at his place of employment.

b6
b7C
b3

He was informed of the identity of the interviewing Agent. [redacted] was served a Grand Jury subpoena duces tecum, issued by the Southern District of New York, directed to [redacted]. The subpoena commands an appearance and the production of certain records [redacted] Room 1401, U.S. Courthouse, Foley Square, in the Borough of Manhattan, City of New York.

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mx

b6
b7C
b3

Investigation on August 30, 1983 at [redacted] Houston: 196B-881
by Special Agent [redacted] : md File # August 30, 1983
by [redacted] Date dictated ny 196A-1274-151

FEDERAL BUREAU OF INVESTIGATION

1

Date of transcription September 7, 1983

[redacted]
[redacted]
[redacted] was contacted at his place of employment.

b6
b7C
b3

He was informed of the identity of the interviewing Agent. [redacted] was served a Grand Jury subpoena duces tecum, issued by the Southern District of New York, directed to [redacted]. The subpoena commands an appearance and the production of certain records [redacted] Room 1401, U.S. Courthouse, Foley Square, in the Borough of Manhattan, City of New York.

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JLM/maj.

b6
b7C
b3Investigation on August 30, 1983 at [redacted]

Horton: 196B-881

Special Agent [redacted]

: md

August 30, 1983

by [redacted] Date dictated [redacted]

B

Received 8/30/83.

Served 8/30/83

attny. for

b6
b7C
b3

NY 196A-1774-152

b6
b7C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TO

b3

GREETINGS:

WE COMMAND YOU that all business and excuses being laid aside, you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, on the [redacted] to testify and give evidence in regard to an alleged violation of:

b3

and not to depart the Court without leave thereof, or of the United States Attorney, and that you produce at the time and place aforesaid the following:

For the period of [redacted]

b3

And for failure to attend and produce [redacted] you will be deemed guilty of contempt of Court and liable to penalties of law. b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/11/01 BY SP5 JC/may

Dated: New York, N.Y.
August 29, 1983

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Berghardt
Clerk.

NOTE: REPORT AT ROOM 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

[redacted]
Assistant United States Attorney
Telephone: [redacted]

b6
b7C

Room [redacted]
One St. Andrew's Plaza
New York, New York 10007

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/7/83

TO: ADIC, NEW YORK (196A-1774)(M-1)

FROM: SAC, HOUSTON (196B-881) (RUC)

MARC RICK,
 dba
 MARC RICH AND COMPANY
 FBW - ENERGY RELATED

Re NY airtel to HO dated 8/29/83.

Enclosed for New York is one facsimile, executed
 Grand Jury subpoena, directed to [REDACTED]
 Also enclosed for New York is the original and one
 copy each of FD-302 regarding [REDACTED]
 [REDACTED]

b6
 b7C
 b3

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 X my

②-New York (Encs. 3)
 1-Houston
 LBS/md
 (3)

b6
 b7C

-1*-

Approved: DA

Transmitted

(Number)

196A-1774-153

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 19 1983	
Per [Signature]	
RK [Signature]	

AIRTEL

9/7/83

TO: ADIC, NEW YORK (196A-1774)(M-1)

FROM: SAC, HOUSTON (196B-881) (RUC)

MARC RICK,
dba
MARC RICH AND COMPANY
FBW - ENERGY RELATED

Re NY airtel to HO dated 8/29/83.

Enclosed for New York is one facsimile, executed
Grand Jury subpoena, directed to [REDACTED]
Also enclosed for New York is the original and one
copy each of FD-302 regarding [REDACTED]
[REDACTED]

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/MP

(2)-New York (Encs.3)
1-Houston
LBS/md
(3)

-1*-

196A-1774-153

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 19 1983	
FBI - NEW YORK	

[Handwritten signature]

10.103

FBI

TELETYPE

IMMEDIATE

UNCLAS

9/19/83

IMMEDIATE

NEW YORK (196A-1774) (P) (M-I)

IMMEDIATE

~~DIRECTOR~~ FBI (196B-2848)

ATTN: SUPV. [REDACTED]

FINANCIAL CRIMES

b6

b7C

BT

UNCLAS

MARC RICH, DBA MARC RICH AND COMPANY, PINCUS GREEN, [REDACTED]
FBW-ENERGY RELATED, OO:NY.

b6
b7C

RENYTEL TO BUREAU, DATED SEPTEMBER 19, 1983 AND NYTELCAL TO
BUREAU, SEPTEMBER 19, 1983.

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ ADVISED OF
CAPTIONED.

ON SEPTEMBER 19, 1983 AT APPROXIMATELY 3:00 PM THE FOLLOWING

ALL INFORMATION CONTAINED
HEREIN IS UNCLAS
DATE 2/21/01 BY SP5 JC/mgr

MEB
1 - New York
1 - Supervisor M-I
MEB:kvk063V1
(2)

KVK 064

Approved: LFY/gf

Transmitted

130 32 0047
131 33 0055
Per [REDACTED]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: M

b6
b7C

[REDACTED]

PRESS RELEASE WAS COMMUNICATED TO VARIOUS NEWSPAPERS AND TELEVISION CHANNELS:

"OUTLINE OF INDICTMENT" - UNITED STATES V. MARC RICH, ET AL.

"A FEDERAL GRAND JURY IN MANHATTAN TODAY RETURNED A 51-COUNT INDICTMENT AGAINST MARC RICH, PINCUS GREEN, CLYDE MELTZER, MARC RICH AND COMPANY A.G. ("AG"), AND MARC RICH AND COMPANY INTERNATIONAL LTD., AKA "CLARENDON LTD." ("INTERNATIONAL") FOR VIOLATING THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATION ("RICO") STATUTE AND MARC RICH AND PINCUS GREEN FOR ACTIONS TAKEN TO FACILITATE OIL TRANSACTIONS WITH IRAN DURING THE HOSTAGE CRISIS IN VIOLATION OF FEDERAL LAW. MARC RICH, PINCUS GREEN, CLYDE MELTZER AND INTERNATIONAL ARE ALSO CHARGED WITH EVADING TAXES IN CONNECTION WITH INTERNATIONAL'S 1980 AND 1981 CORPORATE INCOME TAX RETURNS. EACH OF THE DEFENDANTS ARE FURTHER CHARGED WITH MULTIPLE MAIL AND WIRE FRAUD VIOLATIONS.

RUDOLPH W. GIULIANI, UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK, EXPLAINED THAT THE RACKETEERING CHARGES INVOLVE CONCEALING IN EXCESS OF \$100 MILLION IN TAXABLE INCOME FROM

CRUDE OIL DEALS OF INTERNATIONAL --- IN LARGE PART EARNED ILLEGALLY IN VIOLATION OF FEDERAL ENERGY LAWS --- BY DIVERTING THE INCOME THROUGH SHAM TRANSACTIONS OFFSHORE TO AG, A FOREIGN CORPORATION WHICH DOES NOT FILE UNITED STATES INCOME TAX RETURNS. AS A RESULT OF THIS SCHEME, THE INDICTMENT CHARGED, THE DEFENDANTS CAUSED DEFENDANT INTERNATIONAL TO EVADE DURING CALENDAR YEARS 1980 AND 1981 IN EXCESS OF \$48 MILLION IN FEDERAL TAXES --- MAKING THIS THE LARGEST TAX EVASION SCHEME EVER PROSECUTED. THE CHARGES RELATING TO IRAN INVOLVE THE PURCHASE OF APPROXIMATELY 6,250,000 BARRELS OF CRUDE AND FUEL OIL FROM THE NATIONAL IRANIAN OIL COMPANY, AN ENTITY OF THE GOVERNMENT OF IRAN. THE OIL PURCHASES WHICH EXCEEDED \$200 MILLION WERE ALL MADE AFTER THE NOVEMBER 4, 1979 SEIZURE OF THE AMERICAN EMBASSY IN TEHERAN AND AFTER IT HAD BEEN DECLARED ILLEGAL TO TRADE WITH IRAN.

MORRIS WEINBERG, JR., THE ASSISTANT UNITED STATES ATTORNEY IN CHARGE OF THE CASE, FURTHER EXPLAINED THE ALLEGATIONS SET FORTH IN THE INDICTMENT. EACH DEFENDANT WAS CHARGED WITH HAVING CONSPIRED TO OPERATE AND WITH HAVING OPERATED AN ENTERPRISE, HE SAID, THROUGH A PATTERN OF RACKETEERING ACTIVITY BY ENGAGING IN SCHEMES TO DEFRAUD THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF ENERGY AND THE

DEPARTMENT OF TREASURY, THROUGH ITS OFFICE OF FOREIGN ASSETS CONTROL, AS PART OF THE SCHEME, FOR EXAMPLE, DEFENDANTS MARC RICH AND PINCUS GREEN WOULD CAUSE INTERNATIONAL TO PURCHASE BARRELS OF DOMESTICALLY "CONTROLLED" OIL WHICH, UNDER THE APPLICABLE DEPARTMENT OF ENERGY PRICE CONTROLS, COULD BE RESOLD ONLY AT FIXED AND CONTROLLED PRICES. INTERNATIONAL WOULD THEN CAUSE THE CONTROLLED OIL TO PASS THROUGH THE HANDS OF NUMEROUS OIL RESELLERS IN WHAT IS KNOWN AS "DAISY CHAIN" TRANSACTIONS ALL WITH THE OBJECTIVE OF MAKING IT EASIER FALSELY TO ALTER THE CERTIFICATES OF THE BARRELS TO "UNCONTROLLED" OIL SO THAT INTERNATIONAL COULD REPURCHASE THE BARRELS AND RESELL THEM AT MUCH HIGHER UNEFIXED PRICES THEREBY REALIZING HUGE ILLICIT PROFITS. EVENTUALLY, THE DEFENDANTS RECOGNIZED THAT HAVING INTERNATIONAL EARN THESE HUGE ILLEGAL PROFITS BY SELLING THE FALSELY CERTIFIED "UNCONTROLLED" BARRELS MEANT THAT INTERNATIONAL WOULD PAY LARGE AMOUNTS OF FEDERAL TAX ON THE ILLEGAL PROFITS. TO AVOID THE FEDERAL TAX -- ADDING THE "INSULT" OF TAX EVASION TO THE "INJURY" OF DELIBERATE VIOLATIONS OF THE FEDERAL OIL PRICE CONTROLS -- THE DEFENDANTS DEVISED A SCHEME WHEREBY THIRD PARTY OIL RESELLERS, SUCH AS THE DEFENDANT CLYDE MELTZER OF LISTO PETROLEUM (HOUSTON, TEXAS) AND WEST TEXAS MARKETING (ABILENE, TEXAS), WOULD OSTENSIBLY SELL THE FALSELY CERTIFIED "UNCONTROLLED".

BARRELS TO INTERNATIONAL AT THE HIGH MARKET PRICE. IN FACT IT WAS SECRETLY AGREED THAT THE HUGE PROFITS CREATED BY THE DIFFERENCE BETWEEN THE CONTROLLED PRICE AND THE HIGH MARKET PRICE ACTUALLY BELONGED TO INTERNATIONAL AND WOULD BE RECORDED ON THE BOOKS OF LISTO AND WEST TEXAS MARKETING, WHERE THEY WERE REFERRED TO AS PROFIT "POTS". THE DEFENDANTS THEN SET UP SHAM OIL TRANSACTIONS IN WHICH LISTO PETROLEUM AND WEST TEXAS MARKETING WOULD LOSE PREDETERMINED AMOUNTS OF MONEY TO AG AND ITS FOREIGN SUBSIDIARIES, THEREBY MOVING INTERNATIONAL'S ILLEGAL PROFITS OFFSHORE TO FOREIGN CORPORATIONS, INCLUDING AG, THAT PAID NO FEDERAL INCOME TAX.

IN ADDITION, AS PART OF THE SCHEME, THE DEFENDANTS ARRANGED MORE THAN \$33 MILLION IN FRAUDULENT DEDUCTIONS FOR DEFENDANT INTERNATIONAL BY FABRICATING TRANSACTIONS AND CREATING FALSE INVOICES BETWEEN AG AND INTERNATIONAL, OSTENSIBLY RELATING TO OFFSHORE OIL DEALS BETWEEN AG AND CHARTER OIL COMPANY, BAHAMAS, AND BETWEEN INTERNATIONAL AND RESCOR.

MR. WEINBERG ALSO EXPLAINED THAT DURING THE HOSTAGE CRISIS THE DEFENDANTS MARC RICH AND PINCUS GREEN -- BOTH UNITED STATES CITIZENS AT THE TIME -- PRE-SOLD FROM THE UNITED STATES IRANIAN CRUDE OIL

WHICH AG WAS BUYING DIRECTLY FROM THE NATIONAL IRANIAN OIL COMPANY. IN THOSE DEALS, UNITED STATES BANKS WERE UNWITTINGLY USED BY THE DEEDENDANTS TO TRANSFER OVER 200 MILLION UNITED STATES DOLLARS OUT OF THE UNITED STATES TO THE NATIONAL IRANIAN OIL COMPANY TO PAY FOR THE CRUDE OIL PURCHASED BY AG. AT THE TIME, THERE WERE TIGHT RESTRICTIONS AGAINST THE TRANSFER OF ANY FUNDS TO IRAN BY AMERICAN CITIZENS OR UNITED STATES BANKS.

THE GOVERNMENT IS ALSO SEEKING SUBSTANTIAL FORFEITURES PROVIDED FOR IN THE RICO STATUTE, INCLUDING FORFEITURE OF INTERNATIONAL AND MARC RICH'S AND PINCUS GREEN'S STOCK IN AG.

MR. GIULIANI NOTED THAT THE INDICTMENT IS THE RESULT OF A ONE AND ONE-HALF YEAR JOINT INVESTIGATION CONDUCTED BY THE UNITED STATES ATTORNEY'S OFFICE, THE INTERNAL REVENUE SERVICE, THE FEDERAL BUREAU OF INVESTIGATION, THE DEPARTMENT OF TREASURY'S OFFICE OF FOREIGN ASSETS CONTROL, AND THE UNITED STATES CUSTOMS SERVICE. IN MAKING THIS ANNOUNCEMENT TODAY, MR. GIULIANI PRAISED ALL THOSE INVOLVED IN THIS PAINSTAKING INVESTIGATION FOR THEIR CONSCIENTIOUS AND DILIGENT EFFORTS.

MARC RICH, AGE 49, FORMERLY OF MANHATTAN AND LONG BEACH, NEW YORK, AND PINCUS GREEN, AGE 49, FORMERLY OF BROOKLYN, NEW YORK, AND HAVE APPARENTLY FLED THE COUNTRY AND ARE PRESENTLY RESIDING IN ZUG, SWITZERLAND. CLYDE MELTZER, AGE 38, IS PRESENTLY A RESIDENT OF NEW YORK, HAVING RECENTLY MOVED FROM HOUSTON, TEXAS TO BEGIN WORK AS AN EMPLOYEE OF CLARENDON. THE GOVERNMENT HAS RECENTLY RECEIVED INFORMATION THAT MARC RICH HAS SOUGHT TO RENOUNCE HIS AMERICAN CITIZENSHIP IN FAVOR OF SPANISH CITIZENSHIP."

FBIHQ WILL BE KEPT ADVISED.

VZCZCNY0032

OO HQ

DE NY #0130 2622411

ZNR UUUUU

R 192346Z SEP 83

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) IMMEDIATE

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES

b6
b7C

BT

UNCLAS SECTION 1 OF 2

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mj

MARC RICH, DBA MARC RICH AND COMPANY; PINGUS GREEN; [REDACTED]

b6
b7C

FBW-ENERGY RELATED, OO:NY.

RENYTEL TO BUREAU, DATED SEPTEMBER 19, 1983 AND NYTELAL TO
BUREAU, SEPTEMBER 19, 1983.

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ ADVISED OF
CAPTIONED.

ON SEPTEMBER 19, 1983 AT APPROXIMATELY 3:00 PM THE FOLLOWING

196A-1774-154

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 20 1983	
FBI-NEW YORK	

PAGE TWO DE NY 0130 UNCLAS SECTION 1 OF 2

PRESS RELEASE WAS COMMUNICATED TO VARIOUS NEWSPAPERS AND TELEVISION CHANNELS:

"OUTLINE OF INDICTMENT" - UNITED STATES V. MARC RICH, ET AL.

"A FEDERAL GRAND JURY IN MANHATTAN TODAY RETURNED A 51-COUNT INDICTMENT AGAINST MARC RICH, PINGUS GREEN, CLYDE MELTZER, MARC RICH AND COMPANY A.G. ("AG"), AND MARC RICH AND COMPANY INTERNATIONAL LTD., AKA "CLARENDON LTD." ("INTERNATIONAL") FOR VIOLATING THE RACKETEER INFLUENCED AND CORRUPT ORGANIZATION ("RICO") STATUTE AND MARC RICH AND PINGUS GREEN FOR ACTIONS TAKEN TO FACILITATE OIL TRANSACTIONS WITH IRAN DURING THE HOSTAGE CRISIS IN VIOLATION OF FEDERAL LAW. MARC RICH, PINGUS GREEN, CLYDE MELTZER AND INTERNATIONAL ARE ALSO CHARGED WITH EVADING TAXES IN CONNECTION WITH INTERNATIONAL'S 1980 AND 1981 CORPORATE INCOME TAX RETURNS. EACH OF THE DEFENDANTS ARE FURTHER CHARGED WITH MULTIPLE MAIL AND WIRE FRAUD VIOLATIONS.

RUDOLPH W. GIULIANI, UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK, EXPLAINED THAT THE RACKETEERING CHARGES

PAGE THREE DE NY 0130 UNCLAS SECTION 1 OF 2

INVOLVE CONCEALING IN EXCESS OF \$100 MILLION IN TAXABLE INCOME FROM CRUDE OIL DEALS OF INTERNATIONAL -- IN LARGE PART EARNED ILLEGALLY IN VIOLATION OF FEDERAL ENERGY LAWS -- BY DIVERTING THE INCOME THROUGH SHAM TRANSACTIONS OFFSHORE TO AG, A FOREIGN CORPORATION WHICH DOES NOT FILE UNITED STATES INCOME TAX RETURNS. AS A RESULT OF THIS SCHEME, THE INDICTMENT CHARGED, THE DEFENDANTS CAUSED DEFENDANT INTERNATIONAL TO EVADE DURING CALENDAR YEARS 1980 AND 1981 IN EXCESS OF \$48 MILLION IN FEDERAL TAXES -- MAKING THIS THE LARGEST TAX EVASION SCHEME EVER PROSECUTED. THE CHARGES RELATING TO IRAN INVOLVE THE PURCHASE OF APPROXIMATELY 6,250,000 BARRELS OF CRUDE AND FUEL OIL FROM THE NATIONAL IRANIAN OIL COMPANY, AN ENTITY OF THE GOVERNMENT OF IRAN. THE OIL PURCHASES WHICH EXCEEDED \$200 MILLION WERE ALL MADE AFTER THE NOVEMBER 4, 1979 SEIZURE OF THE AMERICAN EMBASSY IN TEHERAN AND AFTER IT HAD BEEN DECLARED ILLEGAL TO TRADE WITH IRAN.

MORRIS WEINBERG, JR., THE ASSISTANT UNITED STATES ATTORNEY IN CHARGE OF THE CASE, FURTHER EXPLAINED THE ALLEGATIONS SET FORTH IN THE INDICTMENT. EACH DEFENDANT WAS CHARGED WITH HAVING CONSPIRED TO OPERATE AND WITH HAVING OPERATED AN ENTERPRISE, HE SAID, THROUGH A

PAGE FOUR DE NY 0130 UNCLAS SECTION 1 OF 2

PATTERN OF RACKETEERING ACTIVITY BY ENGAGING IN SCHEMES TO DEFRAUD THE INTERNAL REVENUE SERVICE, THE DEPARTMENT OF ENERGY AND THE DEPARTMENT OF TREASURY, THROUGH ITS OFFICE OF FOREIGN ASSETS CONTROL. AS PART OF THE SCHEME, FOR EXAMPLE, DEFENDANTS MARC RICH AND PINGUS GREEN WOULD CAUSE INTERNATIONAL TO PURCHASE BARRELS OF DOMESTICALLY "CONTROLLED" OIL WHICH, UNDER THE APPLICABLE DEPARTMENT OF ENERGY PRICE CONTROLS, COULD BE RESOLD ONLY AT FIXED AND CONTROLLED PRICES. INTERNATIONAL WOULD THEN CAUSE THE CONTROLLED OIL TO PASS THROUGH THE HANDS OF NUMEROUS OIL RESELLERS IN WHAT IS KNOWN AS "DAISY CHAIN" TRANSACTIONS ALL WITH THE OBJECTIVE OF MAKING IT EASIER FALSELY TO ALTER THE CERTIFICATES OF THE BARRELS TO "UNCONTROLLED" OIL SO THAT INTERNATIONAL COULD REPURCHASE THE BARRELS AND RESELL THEM AT MUCH HIGHER UNFIXED PRICES THEREBY REALIZING HUGE ILLICIT PROFITS. EVENTUALLY, THE DEFENDANTS RECOGNIZED THAT HAVING INTERNATIONAL EARN THESE HUGE ILLEGAL PROFITS BY SELLING THE FALSELY CERTIFIED "UNCONTROLLED" BARRELS MEANT THAT INTERNATIONAL WOULD PAY LARGE AMOUNTS OF FEDERAL TAX ON THE ILLEGAL PROFITS. TO AVOID THE FEDERAL TAX -- ADDING THE "INSULT" OF TAX EVASION TO THE "INJURY" OF DELIBERATE VIOLATIONS OF THE FEDERAL OIL PRICE CONTROLS -- THE DEFENDANTS DEVISED A SCHEME WHEREBY THIRD

PAGE FIVE DE NY 0130 UNCLAS SECTION 1 OF 2

PARTY OIL RESELLERS, SUCH AS THE DEFENDANT CLYDE MELTZER OF LISTO PETROLEUM (HOUSTON, TEXAS) AND WEST TEXAS MARKETING (ABILENE, TEXAS), WOULD OSTENSIBLY SELL THE FALSELY CERTIFIED "UNCONTROLLED" BARRELS TO INTERNATIONAL AT THE HIGH MARKET PRICE. IN FACT IT WAS SECRETLY AGREED THAT THE HUGE PROFITS CREATED BY THE DIFFERENCE BETWEEN THE CONTROLLED PRICE AND THE HIGH MARKET PRICE ACTUALLY BELONGED TO INTERNATIONAL AND WOULD BE RECORDED ON THE BOOKS OF LISTO AND WEST TEXAS MARKETING, WHERE THEY WERE REFERRED TO AS PROFIT "POTS". THE DEFENDANTS THEN SET UP SHAM OIL TRANSACTIONS IN WHICH LISTO PETROLEUM AND WEST TEXAS MARKETING WOULD LOSE PREDETERMINED AMOUNTS OF MONEY TO AG AND ITS FOREIGN SUBSIDIARIES, THEREBY MOVING INTERNATIONAL'S ILLEGAL PROFITS OFFSHORE TO FOREIGN CORPORATIONS, INCLUDING AG, THAT PAID NO FEDERAL INCOME TAX.

IN ADDITION, AS PART OF THE SCHEME, THE DEFENDANTS ARRANGED MORE THAN \$33 MILLION IN FRAUDULENT DEDUCTIONS FOR DEFENDANT INTERNATIONAL BY FABRICATING TRANSACTIONS AND CREATING FALSE INVOICES BETWEEN AG AND INTERNATIONAL, OSTENSIBLY RELATING TO OFFSHORE OIL DEALS BETWEEN AG AND CHARTER OIL COMPANY, BAHAMAS, AND BETWEEN INTERNATIONAL AND RESCOR.

PAGE SIX DE NY 0130 UNCLAS SECTION 1 OF 2

MR. WEINBERG ALSO EXPLAINED THAT DURING THE HOSTAGE CRISIS THE DEFENDANTS MARC RICH AND PINCUS GREEN -- BOTH UNITED STATES CITIZENS AT THE TIME -- PRE-SOLD FROM THE UNITED STATES IRANIAN CRUDE OIL WHICH AG WAS BUYING DIRECTLY FROM THE NATIONAL IRANIAN OIL COMPANY. IN THOSE DEALS, UNITED STATES BANKS WERE UNWITTINGLY USED BY THE DEFENDANTS TO TRANSFER OVER 200 MILLION UNITED STATES DOLLARS OUT OF THE UNITED STATES TO THE NATIONAL IRANIAN OIL COMPANY TO PAY FOR THE CRUDE OIL PURCHASED BY AG. AT THE TIME, THERE WERE TIGHT RESTRICTIONS AGAINST THE TRANSFER OF ANY FUNDS TO IRAN BY AMERICAN CITIZENS OR UNITED STATES BANKS.

THE GOVERNMENT IS ALSO SEEKING SUBSTANTIAL FORFEITURES PROVIDED FOR IN THE RICO STATUTE, INCLUDING FORFEITURE OF INTERNATIONAL AND MARC RICH'S AND PINCUS GREEN'S STOCK IN AG.

MR. GIULIANI NOTED THAT THE INDICTMENT IS THE RESULT OF A ONE AND ONE-HALF YEAR JOINT INVESTIGATION CONDUCTED BY THE UNITED STATES ATTORNEY'S OFFICE, THE INTERNAL REVENUE SERVICE, THE FEDERAL BUREAU OF INVESTIGATION, THE DEPARTMENT OF TREASURY'S OFFICE OF FOREIGN

BT

#0130

VZCZCNY0033

00 HQ

DE NY #0131 2622411

ZNR UUUUU

R 192346Z SEP 83

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) IMMEDIATE

BT

UNCLAS SECTION 2 OF 2

ASSETS CONTROL, AND THE UNITED STATES CUSTOMS SERVICE. IN MAKING THIS ANNOUNCEMENT TODAY, MR. GIULIANI PRAISED ALL THOSE INVOLVED IN THIS PAINSTAKING INVESTIGATION FOR THEIR CONSCIENTIOUS AND DILIGENT EFFORTS.

MARC RICH, AGE 49, FORMERLY OF MANHATTAN AND LONG BEACH, NEW YORK, AND PINCUS GREEN, AGE 49, FORMERLY OF BROOKLYN, NEW YORK, AND HAVE APPARENTLY FLED THE COUNTRY AND ARE PRESENTLY RESIDING IN ZUG, SWITZERLAND. CLYDE MELTZER, AGE 38, IS PRESENTLY A RESIDENT OF NEW YORK, HAVING RECENTLY MOVED FROM HOUSTON, TEXAS TO BEGIN WORK AS AN

PAGE TWO DE NY 0131 UNCLAS SECTION 2 OF 2

EMPLOYEE OF CLARENDON. THE GOVERNMENT HAS RECENTLY RECEIVED
INFORMATION THAT MARC RICH HAS SOUGHT TO RENOUNCE HIS AMERICAN
CITIZENSHIP IN FAVOR OF SPANISH CITIZENSHIP."

FBIHQ WILL BE KEPT ADVISED.

BT

#0131

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/19/83

008

FM NEW YORK (196A-1774) (P) (M-1)

TO ~~DIRECTOR~~-(IMMEDIATE)

ATTENTION: SUPV. [REDACTED] FINANCIAL CRIMES

b6
b7C

BT

UNCLAS

MARC RICH, DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED (OO:NY)

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ
 ADVISED OF DEVELOPMENTS OF CAPTIONED.

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SDNY CONCURRED
 IN THE FINDING OF A 51-COUNT INDICTMENT CHARGING: MARC RICH,
 PINCUS GREEN, CLYDE MELTZER, MARC RICH AND COMPANY, AG AND MARC
 RICH AND COMPANY INTERNATIONAL, LTD., AKA "CLARENDON A.G. (LTD.,
 S.A.)", ITS PURPORTED SUCCESSOR IN INTEREST WITH VIOLATIONS OF
 TITLE 18, U.S. CODE, SECTIONS 1962(C) - ONE COUNT RACKETEERING,
 1962(D) - ONE COUNT RACKETEERING CONSPIRACY, 1341 - FOUR COUNTS
 MAIL FRAUD, 1343 - 35 COUNTS WIRE FRAUD; TITLE 26, U.S. CODE,
 SECTION 7201 - TWO COUNTS TAX EVASION; AND TITLE 50, U.S. CODE,

1 - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP3 JCL/mjs

Approved: [Signature]

Transmitted

(Number)

(Time)

Per

SERIALIZED

FILED

SEP 20 1983

b6
b7C

FOK

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

SECTION 1705; AND 31 CODE OF FEDERAL REGULATIONS, SECTION 535.206

(A) (4) - EIGHT COUNTS TRADING WITH ENEMY.

MARC RICH AND PINCUS GREEN FACE THE MAXIMUM EXPOSURE OF
325 YEARS AND \$509,000 FINES.

CLYDE MELTZER FACES RICO CHARGES, MAIL FRAUD CHARGES,
TAX EVASION CHARGES AND 11 COUNTS OF WIRE FRAUD. MAXIMUM EXPOSURE
125 YEARS AND \$85,000 FINES.

PURSUANT TO TITLE 18, U.S.C., SECTION 1963(A), THE GOVERNMENT
WILL SEEK SUBSTANTIAL FORFEITURES PROVIDED FOR IN THE RICO STATUTE.

AT APPROXIMATELY 3:00 P.M. ON INSTANT DATE, A JOINT PRESS
CONFERENCE WILL RELEASE ABOVE INFORMATION.

THE GOVERNMENT HAS ALSO RECENTLY RECEIVED INFORMATION THAT
MARC RICH HAS SOUGHT TO RENOUNCE HIS AMERICAN CITIZENSHIP IN
FAVOR OF SPANISH CITIZENSHIP.

FBIHQ WILL BE KEPT ADVISED.

BT

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NYO 999 2621822Z

00 HQ

CDE NY 008

O 191800Z SEPT 83

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (IMMEDIATE)

A TTENTION: SUPV. [REDACTED] - FINANCIAL CRIMES

b6
b7C

BT

UNCLAS

MARC RICH, DBA MARC RICH AND COMPANY; PINCUS GREEN; [REDACTED]

b6
b7C

[REDACTED] FBW - ENERGY RELATED (OO:NY)

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ ADVISED OF DEVELOPMENTS OF CAPTIONED.

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SDNY CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT CHARGING: MARC RICH, PINCUS GREEN, CLYDE MELTZER N MARC RICH AND COMPANY, AG AND MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA "CLARENDON A.G. (LTD., S.A.)", ITS PURPORTED SUCCESSOR IN INTEREST WITH VIOLATIONS OF TITLE 18, U.S. CODE, SECTIONS 1962(C) - ONE COUNT RACKETEERING, 1962(D) - ONE CO UNT RACKETEERING CONSPIRACY, 1341 - FOUR COUNTS MAIL FRAUD, 1343 - 35 COUNTS WIRE FRAUD; TITLE 26, U. S. CODE, SECTION 7201 - TWO COUNTS TAX EVASION; AND TITLE 50, U.S. CODE, 196A-1774-155

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/11 BY SP5 JC/mar

SEARCHED	INDEXED
SERIALIZED	FILED
1983	
[REDACTED] PRK	
B	

SECTION 1705; AND 31 CODE OF FEDERAL REGULATIONS, SECTION 535.206

(A) (4) - EIGHT COUNTS TRADING WITH ENEMY.

MARC RICH AND PINCUS GREEN FACE THE MAXIMUM EXPOSURE OF 325 YEARS AND \$509, 000 FINES.

CLYDE MELTZER FACES RICO CHARGES, MAIL FRAUD CHARGES, TAX EVASION CHARGES AND 11 COUNTS OF WIRE FRAUD. MAXIMUM EXPOSURE 125 YEARS AND \$85,000 FINES.

PURSUANT TO TITLE 18, U.S.C., SECTION 1963(A), THE GOVERNMENT WILL SEEK SUBSTANTIAL FORFEITURES PROVIDED FOR IN THE RICO STATUTE.

AT APPROXIMATELY 3:00 P.M. ON INSTANT DATE, A JOINT PRESS CONFERENCE WILL RELEASE ABOVE INFORMATION.

THE GOVERNMENT HAS ALSO RECENTLY RECEIVED INFORMATION THAT MARC RICH HAS SOUGHT TO RENOUNCE HIS AMERICAN CITIZENSHIP IN FAVOR OF SPANISH CITIZENSHIP.

FBIHQ WILL BE KEPT ADVISED.

BT

Trading Oil in a 'Daisy Chain'

One of the principal charges contained in the indictment announced yesterday against Marc Rich, the international commodities trader, is that companies that he controlled conspired to violate Federal laws covering the pricing and allocation of domestically produced crude oil. These laws, enacted in 1973, were gradually phased out in the late 1970's and ended in January 1981.

In its indictment, the grand jury charged the Rich interests with engaging in what it termed a "daisy chain" to fraudulently sell controlled crude at uncontrolled prices.

In recent years, several small oil producers in the Southwest have been charged with similar schemes. But no large oil producers or trading companies have been found guilty of the charges.

The Government's price controls were intended to set a low price ceiling on oil that was inexpensive to produce. They effectively set limits on crude prices that ranged from \$5 a barrel for "old" oil from wells that went into production before 1972 to \$30 for oil from "stripper" wells, which usually produce less than 10 barrels a day, or from wells that were especially expensive to operate.

The indictment charges Marc Rich & Company International, Mr. Rich's principal trading company in New York, with conspiring with two Texas companies, the West Texas Marketing Corporation and Liso Petroleum Inc., to implement the fraud.

Texas Concerns Not Indicted

The Texas concerns were not indicted, but the indictment did cover Clyde Meltzer, former vice president in charge of crude oil trading at Liso Petroleum.

According to the indictment, Mr. Rich and Mr. Green wove an elaborate maze of oil trades aimed at selling controlled oil at decontrolled prices. Attempting to baffle Government regulators on their trail, the men earned millions of dollars in profit, then illegally reduced their Federal income taxes by shifting part of the profits overseas — again in a covert, complex scheme, the indictment said.

It charges that, in several transactions involving the Texas companies, the Rich interests bought inexpensive "old" oil and then resold in a series of paper transactions involving third parties.

These transactions were designed

to "facilitate illegal alteration of the certificates on controlled barrels in stripper barrels," the indictment said. After the daisy chain was complete, Mr. Rich's New York company would regain title to the same volume of oil it had originally purchased at low price, but that oil was by then classified as uncontrolled under Federal price guidelines, according to the indictment.

Each of the third parties that participated in the transactions would have received "a small profit," the indictment stated. But it added that Mr. Rich's company would have received "enormous profits" by reselling the oil.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-24-01 BY SP5 JC/rny

196A-1774-156

1983

U.S. Asserts It Can Prove Marc Rich & Co. Evaded Taxes if It Gets Data From Swiss

By ROGER LOWENSTEIN and STEVE MURPHY
Staff Reporters of THE WALL STREET JOURNAL

NEW YORK—Attorneys for the U.S. government asserted that they could prove Marc Rich & Co. AG evaded more than twice the \$48 million in U.S. taxes already alleged if they could obtain company documents being held by the Swiss government.

As reported, those internal documents of the Zug, Switzerland-based commodities trading firm were seized recently by the Swiss government on the ground that releasing them to U.S. authorities would violate Swiss secrecy laws. Negotiations between the two countries over release of the documents have been going on but appear to be at an impasse.

On Monday, a federal grand jury here indicted Marc Rich, its U.S. unit, and its two principal officers, Marc Rich and Pincus Green, for tax evasion, wire and mail fraud and racketeering. The indictment said the defendants evaded taxes on more than \$100 million of income.

Though federal government attorneys concede an impasse over obtaining the documents, they hope to get their hands on Mr. Rich and Mr. Green, both currently residing in Switzerland.

At the hearing, Lawrence B. Pedowitz, chief of the criminal division of the U.S. Attorney's Office for the Southern District of New York, said the government will seek to extradite the two men. "I am hopeful" the Swiss government will cooperate, Mr. Pedowitz said.

The Swiss government has said it won't extradite people on tax evasion charges but is willing to examine the other charges

against the defendants as a basis for extradition. "It's premature" to predict what the response will be, a Swiss government spokesman said.

Mr. Pedowitz also said yesterday that the government might seek a "superseding indictment." He didn't elaborate, but sources close to the case said such an indictment might be tailored to Swiss extradition policy. Under Swiss law, a person can be extradited if the alleged offenses are also punishable in Switzerland.

Though U.S. government officials haven't seen the documents in Switzerland's possession, they have been given lists describing the papers. Based on a review of those lists, the government believes it could prove a much higher level of tax evasion than already alleged, these officials said.

Mr. Pedowitz, the government prosecutor, told the court yesterday that those documents included papers describing plans to defraud the U.S. government. "These documents are golden nuggets," he said.

Since the indictment, neither the defendants nor their attorneys have returned phone calls. Previously, company officials denied any wrongdoing.

The indictment capped an 18-month investigation of Marc Rich. Yesterday's hearing had long been scheduled to deal with some of the remaining issues outstanding in that investigation.

Among other things, Marc Rich is being fined by the court \$50,000 a day for failing to turn over subpoenaed documents. At yesterday's hearing, Judge Leonard B. Sand said he would consider ending those fines given the refusal of the Swiss government to turn over the documents. A hearing on that question was set for Oct. 3.

Marc Rich Tax Case Is Tip of the Iceberg But Unlikely to Lead to Rash of U.S. Suits

By WILLIAM M. CARLEY
And ROBERT B. TAYLOR

Staff Reporters of THE WALL STREET JOURNAL

NEW YORK—The indictment of Marc Rich and his companies for tax evasion is but the tip of the iceberg in a long and bitter dispute over taxation of multinationals.

The Marc Rich case, however, isn't likely to signal a rash of Justice Department prosecutions. Such cases are complex, extremely difficult to prosecute on the criminal level, and even difficult to pursue as civil cases, lawyers say.

In the Rich case, the Justice Department has already run into a roadblock in the Swiss government, which refuses to turn over certain Rich documents the Justice Department says it needs.

The long-festering dispute over taxing multinationals involves so-called transfer pricing, in which goods are transferred among a company's various subsidiaries. This may be done legally, but it is illegal, however, for a subsidiary based in the U.S. to, for example, to pay inflated prices for goods it buys from another subsidiary based in Switzerland. This moves the profits from the U.S. to Switzerland and results in evasion of U.S. taxes.

In Mr. Rich's case, he is charged with having his U.S. company transfer profit to a Swiss affiliate by having the U.S. unit buy oil at artificially high prices. In this way, it's alleged, Mr. Rich evaded taxes on more than \$100 million of revenues, making it the biggest tax evasion case in history.

But except for its magnitude, the Rich case isn't unique. "It's a perfect example of the games people play with transfer pricing," says Thomas Field, executive director of Tax Analysts, a Washington-

and the ship. The intermediate subsidiary just happened to be in a very low tax situation. In a civil case, the Justice Department attacked this arrangement and won.

Sometimes it is not the U.S. government that feels cheated. Citibank, according to a Securities and Exchange Commission study, transferred profit from France, Switzerland and other European countries by executing "sham" foreign exchange transactions with a Citibank unit in Bermuda. A European Citibank unit would simultaneously sell currency to the Bermuda unit at a low price and buy it back at a high price, thus moving the profit to Bermuda. While the SEC took no action, European countries forced Citibank to pay nearly \$11 million in extra taxes and penalties.

Few cases, however, are prosecuted. One reason, according to a recent General Accounting Office study, is that transactions between company units are perfectly legal if they are at arm's length prices. But the GAO report found, because of "price fluctuations and other factors," it is difficult to prove prices are inflated.

When there is a dispute over transfer prices, it hardly ever gets to court, says one tax lawyer. "The question is usually settled in haggling between the Internal Revenue Service and the company," he says. Prosecuting a criminal case, in which intent must be proved, is even tougher. "You need a tipster or documentary evidence," says a former Justice Department official.

The U.S. Attorney in New York evidently feels he has documentary evidence

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/27/01 BY SP5 JC/mj

196A-1774-157

...having been transferred to a Swiss affiliate by having the U.S. unit buy oil at artificially high prices. In this way, it's alleged, Mr. Rich evaded taxes on more than \$100 million of revenues, making it the biggest tax evasion case in history.

But except for its magnitude, the Rich case isn't unique. "It's a perfect example of the games people play with transfer pricing," says Thomas Field, executive director of Tax Analysts, a Washington-based tax research group.

The game has been played a long time. In the late 1960s and the 1970s the Justice Department began trying to crack down. One case involved U.S. Gypsum Co. Strange things were happening to the price of gypsum rock the company mined in Canada and shipped to the U.S.

The Canadian subsidiary mined the rock and placed it on a conveyor belt at a dock. As the rock fell off the conveyor, the Canadian unit sold the rock to an intermediate U.S. Gypsum subsidiary at a low price. That kept profit and taxes of the Canadian subsidiary quite low. As the gypsum rock fell through the air, the price rose dramatically, and as it hit the hold of a ship, it was sold to the U.S. company at a very high price. That kept profit and taxes of the U.S. company lower than otherwise.

In effect, says Mr. Field of Tax Analysts, U.S. Gypsum was siphoning the profit from the transaction into the intermediate U.S. Gypsum subsidiary, which owned the rock only while it was falling through the air between the conveyor belt

When there is a dispute over transfer prices, it hardly ever gets to court, says one tax lawyer. "The question is usually settled in haggling between the Internal Revenue Service and the company," he says. Prosecuting a criminal case, in which intent must be proved, is even tougher. "You need a tipster or documentary evidence," says a former Justice Department official.

The U.S. Attorney in New York evidently feels he has documentary evidence in the Rich case. The indictment charges, for example, that Mr. Rich "instructed the comptroller (for the U.S. Rich company) to notify his counterpart at the (Swiss company) to prepare fraudulent invoices. . . . The false invoices were to disguise sham transactions," the indictment alleges.

As tough as it may be to crack down on international tax evaders, there are indications the IRS is going to try harder. Last month the IRS issued an edict to its agents establishing higher priorities for checking individual and partnership tax haven schemes, foreign tax credit manipulation and potentially unreported income shown on foreign documents. The IRS also plans to boost the number of agents who work full time on international tax examinations to 364 from 297 and to increase training of all IRS agents on tax-haven abuses.

And for the man in the street, there will be an extra check. While individuals have been asked on tax returns only if they have a foreign bank account, in the future they will also be asked, "In what country?"

Marc Rich Indicted in Big Tax Case

Continued From Page A1

years old, formerly vice president in charge of crude oil trading at Liso Petroleum, Inc. of Houston, with 28 counts of tax evasion, racketeering and fraud. According to the indictment, Mr. Meltzer, hired in 1982 as an oil trader for Mr. Rich, participated in a conspiracy to evade about \$33 million of the \$48 million.

None of the accused men could be reached for comment. Mr. Meltzer, who lives in Manhattan, did not answer his telephone. Mr. Rich and Mr. Green, longtime friends who have gained a reputation as among the wealthiest commodity traders in the world, have refused all requests for interviews. But a statement issued in Zug, Switzerland, where Marc Rich A.G. has its headquarters, said the men considered themselves innocent.

Although warrants were issued yesterday morning for the arrest of both men, Mr. Giuliani said he had been informed by the State Department that Mr. Rich was seeking to renounce his United States citizenship to become a citizen of Spain.

But John P. Caulfield, spokesman for the State Department's Bureau of Consular Affairs, said such a move would not extinguish Mr. Rich's criminal liability in the United States. It was also unclear if Mr. Rich or Mr. Green could be extradited from Switzerland to the United States. Although the United States has a treaty with Switzerland to extradite criminals, a Swiss official said yesterday that the pact did not cover tax matters because tax evasion was not a crime in Switzerland. Nor, the official added, does the treaty cover the act of trading with an enemy.

"If there are other crimes that Mr. Rich and Mr. Green are accused of that fall under the treaty, the Swiss will cooperate," said Josef Aregger, Swiss Consul in New York. But, he said, it would be "most unlikely" that the Swiss would extradite the commodity traders on the basis of allegations of tax evasion or trading with Iran. The treaty calls for cooperation only in cases of murder, robbery, burglary, counterfeiting, forgery, embezzlement, and breach of trust involving a fiduciary.

Citing their secrecy laws, Swiss Justice Ministry officials have said that to produce the papers subpoenaed would violate the privacy of firms with which Marc Rich does business. The Swiss have also accused the United States of failing to follow established diplomatic procedures to obtain the documents.

Yesterday Swiss officials said they would take additional action to protect the documents subpoenaed from Marc Rich A.G. in Switzerland. In Washington, Swiss Embassy officials said they would hold a news conference this afternoon at the United Nations to explain their position.

According to yesterday's indictment, Mr. Rich and Mr. Green in effect sold oil that was under price controls in the United States at free-market prices. The men then shifted millions of dollars in illegal profits overseas, the indictment said, and concocted \$33 million in illegal tax deductions by falsifying invoices of transactions between Marc Rich A.G. and its foreign subsidiaries.

The oil trading scheme was executed with the help of Liso Petroleum, Mr. Meltzer's firm, and the West Texas Marketing Corporation of Abilene, Tex., according to the indictment. Neither was indicted, although Mr. Meltzer was. He has until next Thursday to appear in Federal court

for arraignment, prosecutors said. Prosecutors seemed particularly pleased by the grand jury indictment, which followed months of hearings. In an unusual public display, they invited reporters and cameramen into the law library of the United States Attorney's Office, where they read parts of the indictment aloud.

Seated at a dais, the prosecutors, joined by agents of the Federal Bureau of Investigation, the Treasury Department and the United States Customs Service—all participants in the investigation—then fielded questions on the outlook for Mr. Rich, Mr. Green and their business interests. Under United States law, neither of the men can be tried without being in court. But prosecutors said yesterday they could hold a court proceeding against the two Marc Rich companies even if the owners were not present.

And if prosecutors succeed in convicting the firms, they could, under a new Federal racketeering law, seek to seize their domestic assets. This

could lead to a Government seizure of the 50 percent share in the 20th Century-Fox Film Corporation that is held by one of the Marc Rich entities under indictment. In Los Angeles, Jerry Greenberg, a spokesman for Fox Film, declined to comment on this possibility.

The charge of trading with an enemy relates to purchases by Marc Rich firms of more than 6 million barrels of crude from the Iranian National Oil Company according to the indictment.

The purchases, which cost more than \$200 million, led to the outflow of hundreds of millions of dollars from United States banks to the Iranian company when the United States was seeking to sever economic relations with Iran, the indictment said. It was unclear how these funds could have flowed to Iran; at the time, banking channels from the West to Teheran were virtually shut.

Weekend is where the fun is

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/99 BY SP8/AM

196A-1774-158

ff ff

Marc Rich Indicted in Vast Tax Evasion Case

By ERIC N. BERG

Marc Rich, one of the world's leading commodity traders, was indicted yesterday by a Federal grand jury on charges that he and a partner had evaded \$48 million in income taxes. Prosecutors said it was the biggest tax-fraud indictment in history.

The two men were also accused of buying oil from Iran after trade with that nation had been declared illegal in response to the Nov. 4, 1979, seizure of American hostages.

Mr. Rich, a reclusive multimillionaire, and his partner, Pincus Green, were charged with 51 counts of tax evasion, racketeering and fraud. Through a spokesman, both men declared themselves innocent.

At a news conference at the United States Court House in lower Manhattan, Rudolph W. Giuliani, the United States Attorney for the Southern District of New York, said Mr. Rich and Mr. Green had concealed \$100 million in oil-trading revenues in 1980 and 1981.

"It is the largest income-tax evasion indictment ever returned by a grand jury," Mr. Giuliani said. He said he had confirmed this with the Internal Revenue Service.

The 51 counts in the indictment carry penalties ranging from 5 years in jail and a \$1,000 fine to 20 years and a \$25,000 fine. If the defendants are convicted and given consecutive sentences, they could serve life terms, prosecutors said. Mr. Rich is 48 years old; Mr. Green is 49.

For more than a year, Federal prosecutors have tried to show that Mr. Rich and Mr. Green used a complex oil-pricing scheme to illegally reduce their Federal income taxes.

In March 1982, a Federal grand jury subpoenaed documents from Marc Rich & Company A.G., a Swiss commodity trading firm owned by Mr. Rich and Mr. Green. The jury also sub-

poeaned documents from Marc Rich & Company International of New York. Marc Rich A.G.'s United States trading arm.

Although Marc Rich International relinquished many of the documents, Marc Rich A.G. contended that as a foreign concern, it did not have to comply. It began paying fines of \$50,000 a day after being held in contempt, and eventually paid more than \$2 million before reaching a settlement with the court.

Mr. Rich and Mr. Green, meanwhile, who according to prosecutors conspired to disobey the subpoena, have failed to appear in court. Prosecutors say the two men are fugitives in Switzerland. Both had been living in New York.

The indictment names both men as co-defendants, as well as Marc Rich A.G. and Marc Rich International.

It also charged Clyde Meltzer, 38,

Congratulations Al Hampel and D'Arcy MacManus & Masius New York on the Buckingham appointment—your little brother downtown Poppe Tyson Inc.—ADVT.

Continued on Page D9, Column 1.

*New York Times - Front Page
9/20/83*

196A-1774-159

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 SC/may

SEARCHED	INDEXED
SERIALIZED	FILED
1986	
FBI - NEW YORK	

Deficit Estimate By U.S. Shrinks About \$10 Billion

New Fiscal '83 Forecast Brings Gap to Under \$200 Billion; '84 Projection Is Narrowed

By KENNETH H. BACON

Staff Reporter of THE WALL STREET JOURNAL
WASHINGTON—Treasury officials con-
firmed that the deficit to the current fiscal
year could be less than \$200 billion, about
10 billion narrower than official estimates
July.

Treasury Secretary Donald Regan said in
an interview that the narrower deficit pro-
jections are based on preliminary receipt
and outlay information for fiscal 1983, which
ends Sept. 30. In addition, he said that Treas-
ury estimates for fiscal 1984 indicate that
the deficit could be \$165 billion to \$170 bil-
lion. This would be narrower than the \$177 bil-
lion the Office of Management and Bud-
get estimated in July.

Referring to the fiscal 1983 budget, Mr.
Regan said, "There's a good possibility that
the deficit could be in the \$200 billion area or
we're lucky, slightly less." In fact, ac-
cording to some internal Treasury estimates
is year-end cash balance, the fiscal 1983
deficit could be as narrow as \$144 billion, an-
other official said. However, he emphasized
this estimate is subject to revision as
Treasury gathers more information.
The Treasury's overall deficit is cited.

Secretary Regan said that the improved
outlook for this year reflects the ef-
fect of the economic recovery on corporate
receipts and on taxes withheld from
workers' pay. "There's no doubt that final
accounts are coming in stronger than we'd
thought" because of increases in production,
sales and employment, Mr. Regan said in
response to a question about reports of
large deficits.

Economic growth surged last quarter and
Regan said he expects strong growth this
quarter as well. He said that gross na-
tional product, the value of the nation's out-
put of goods and services, could grow at an
annual rate of 7.5% to 8% after ad-
justing for inflation in the current quarter.
He said such growth would be less than the
increase in the second quarter, if
it is higher than many analysts are an-
ticipating. The Commerce Department is
scheduled to release a preliminary third-
quarter GNP estimate tomorrow.

Regan noted that he and his Treas-
ury colleagues have been more optimistic than
administration officials in projecting a
recovery that would help shrink the
deficit. As a result, Mr. Regan has ex-
pressed less concern about the large deficits
the nation than Martin Feldstein,
an adviser to President Reagan's Council of
Economic Advisors.

U.S. Charges Marc Rich With Concealing \$100 Million in Income From Oil Trading

By ROGER LOWENSTEIN
AND STIVE MUTTON

Staff Reporters of THE WALL STREET JOURNAL
NEW YORK—A federal grand jury here
charged Marc Rich & Co. AG and its two
principal officers with concealing more than
\$100 million in taxable income from oil-trad-
ing activities in 1980 and 1981.

The grand jury indictment said the ac-
tions by the huge commodities trading firm
and its two officers, Marc Rich and Pincus
Green, resulted in the evasion of more than
\$49 million in taxes. At a news conference,
Rudolph W. Giuliani, U.S. Attorney for the
southern district of New York, said this is
the biggest tax-evasion case ever brought by
the federal government.

The 51-count indictment also charges the
defendants with mail and wire fraud, racke-
teering and buying Iranian crude oil in vi-
olation of a U.S. trade ban while Iran was
holding 52 American hostages. The defend-
ants are also charged with reaping what
Mr. Giuliani termed "exorbitant" profit by
violating federal controls on oil prices be-
fore they were revoked in 1981.

If convicted, Mr. Rich and Mr. Green
could each face prison sentences totaling 325
years. They and their company also could
face millions of dollars of fines and the con-
fiscation of assets.

Lawyers for the defendants refused to
comment on the charges.

Sources close to the case said it is un-
likely Mr. Rich or Mr. Green will return vol-
untarily to the U.S. Three months ago the
two left this country and moved to Zug,
Switzerland, where the company is based.
Yesterday, Mr. Giuliani said "the govern-
ment has recently received information that
Marc Rich has sought to renounce his U.S.
citizenship in favor of Spanish citizen-
ship."

Mr. Giuliani said the U.S. would seek to
extradite the two men from Switzerland,
and added that arrest warrants for them
have been issued here.

Juerg Leutert, legal adviser to the Swiss
embassy in Washington, said Switzerland
has never granted extradition on a tax-eva-
sion case. He said Switzerland would con-
sider extradition on the other charges if they
are also punishable offenses in Switzer-
land.

Mr. Giuliani said that even if Mr. Rich
and Mr. Green don't return to the U.S., the
federal government would still try the com-
pany and its U.S. subsidiary. That suit was
sued earlier this year to one of Marc Rich's
principal subsidiaries and renamed Clarendon Ltd.

If the company is convicted, Mr. Giuliani
said the U.S. would seek to seize the com-
pany's U.S. assets, which, he said, total
"hundreds of millions of dollars." One asset
it would seek is the half-interest in Twent-
ieth Century-Fox Film Corp. owned by a
Marc Rich affiliate, he added.

The indictment climaxes a year-and-a-

half federal investigation. As reported, Marc
Rich has strongly resisted government sub-
poenas for information. The company has
already paid \$3.8 million in fines for refus-
ing to comply with subpoenas and is still be-
ing assessed \$50,000 a day under a federal
court order. The U.S. government is still
trying to get Marc Rich documents from the
Swiss government, which recently seized
them under Swiss secrecy laws to keep the
papers out of the hands of U.S. prosecutors.
A court hearing on those documents is
scheduled here today.

The 48-year-old Mr. Rich, who was born
in Belgium, first made his mark trading oil
for Philipp Brothers Inc., the giant commod-
ities trading arm of Phibro-Salomon Inc. In
1974, Mr. Rich and his longtime colleague
Mr. Green left Philipp Brothers and formed
Marc Rich & Co.

At its peak, Marc Rich traded \$10 billion
a year in commodities. Its business, how-
ever, has been severely squeezed since the
U.S. investigation became public.

According to the indictment, Marc Rich's
U.S. unit diverted income through "sham
transactions" by buying oil at artificially
high prices from the Swiss parent, which
doesn't file U.S. income-tax returns.

The indictment also charged the U.S. unit
purchased domestic crude oil under federal
price controls and then passed that oil
through a "daisy chain" of other oil traders
with Marc Rich eventually repurchasing the
barrels and reselling them at illegally high
prices.

To avoid taxes on the profits from those
sales, Marc Rich set up another series of
transactions in which the company would be
billed by other traders for much higher
prices than they actually paid, the indict-
ment said. The profits were then siphoned to
Marc Rich's overseas operations, it said.
Clyde Meltzer, an oil trader, was named as
a defendant in the indictment for his alleged
role in these deals. Mr. Meltzer, currently
employed by Clarendon, failed to return
phone calls.

Western Union Postal Agency To Expand

By WALL STREET
JOURNAL

Upper Saddle
River, N.J., and the
company agreed to term
which they provide
plan to continue pro-
may even expand in

The contract, which
and Western Union's
graph Co. unit agreed
a four-year prior not
to become effective.

vice couldn't be dis-
Sept. 1, 1987, Western

In a joint announce-
ment and the Postal Service
dum of understanding
that the purpose of the
vide both parties with
ity" in their efforts to
service and lower its

It is expected that
terminated will be re-
well ahead of Sept. 1

A Mailgram is a t
gram sent to a post o-
ent's address and deliv-
er carrier.



"In Philadelphia
it's The C

1617 S
Phila
(21)
More

TRAVEL/HOL

Mary DeSapio
First Vice President
Lehman Brothers Kuhn Loeb
May 1981

"For possibly the
first time in

House Approves Bill

THE WALL STREET

9/20/83

© 1983 Dow Jones & Company, Inc.

VOL. CCH NO. 56

☆☆☆

EASTERN EDITION

TUESDAY, SEPTEMBER

Insurance Squeeze Independent Agencies Dwindle in Importance As Competition Grows

Their High Operating Costs And Rise of New Rivals Endanger Their Survival

Newest Threat: Deregulation

By MARY WILLIAMS

Staff Reporter of THE WALL STREET JOURNAL

After 33 years in the insurance business, the Pennsylvania agent is afraid of losing his job. "It's outrageous! It's unbelievable!" he sputters. Continental Insurance Cos., after reviewing his 1982 sales record, has told him to double his volume within two years or forget about selling its policies. He says he can't possibly meet the new quota.

"It's another way of telling you they aren't interested in small agents," he says.

In Kalamazoo, Mich., Leon Miller's old agency in a suburban basement has folded, but he has opened another in the middle of a shopping mall. Now he sells insurance from a kiosk and hopes that his drive-in operation will gain some of the same benefits on the mall that giant Allstate Insurance gets from its tie-in with Sears. "I look at it as my last chance to succeed," Mr. Miller says.

Independent property-casualty agents, middlemen who match up the owners of homes, cars and businesses with the various insurance companies that want to cover them, are eyeing the future with particular caution these days.

Specialized Service

Typically the agent is a small-business guy down the street who will show you three in the morning to console and cheer you over the charred ruins of your home or who will help you with the paper work for your son's auto coverage. Not an easy job, certainly, but one that seemed to pay well in the past.

Now, with deregulation shaking up the financial-services industry, the rhetoric is threatening to crush the few who remain. Fewer than half of today's independent agencies will last out the decade, many predict.

Hard times have begun to take their toll on insurance companies that still covet late-night television or through schools of "earthquake" coverages.

What's News—

Business and Finance

FISCAL 1983'S DEFICIT could be less than \$200 billion, some \$10 billion narrower than estimated in July, Treasury Secretary Regan said. Treasury estimates for fiscal 1984 indicate the deficit could be in the range of \$165 billion to \$170 billion.

(Story on Page 3)

Marc Rich & Co. AG and two top officers were charged with concealing more than \$100 million in taxable earnings in 1980 and 1981. The 51-count federal indictment asserted that the actions resulted in evasion of over \$12 million in U.S. taxes.

(Story on Page 3)

Housing starts rose 8.4% in August to an annual rate of 1,935,000 units, despite this summer's rise in mortgage rates. Last month's level was the strongest since December 1978. But a drop in building permits may portend a slowdown in construction.

(Story on Page 2)

Victor Technologies is expected to lay off another 500 employees today, to pare overhead costs. The layoffs, and expected efforts to consolidate operations, will contribute to a third-period loss that the company says will be about the same size as its \$11.1 million second-quarter deficit.

(Story on Page 4)

Insurance regulators who control six Baldwin-United units said their plan to "rehabilitate" the units would pay annuity holders interest rates as low as 3.5% and forbid complete withdrawal for at least 3 1/2 years.

(Story on Page 4)

Northwest Energy asked the New York Stock Exchange to delay opening of its stock pending an announcement. The request came amid indications that Northwest was seeking peace with its high-flying but hostile owner, Williams Cos.

(Story on Page 2)

World-Wide

U.S. NAVAL GUNS WERE USED to help Lebanon's army defend East Beirut.

It was the first time the U.S. has fired on targets to help support the Lebanese army. It also represented a significant expansion of U.S. involvement in the war. Officials have described two earlier instances of U.S. naval shelling as a defense of American personnel. (Story on Page 2)

The State Department emphasized that the naval firing didn't represent a change in the U.S. position on using firepower when Marines are threatened.

A revised plan for covert U.S. actions in Nicaragua will be considered today by the Senate Intelligence panel. It plans to vote quickly on whether to approve the proposal and suggest further funding. The CIA has been working on the plan showing why the U.S. has helped armed rebels fighting Nicaragua's government. (Story on Page 5)

Nicaraguan troops fought Honduras-based rebels trying to seize three provinces in eastern Nicaragua, the military said. It said 75 rebels were killed and 163 others captured. In El Salvador, heavy fighting was reported in Usulután province.

The U.S. won't block U.N. members who want to move headquarters out of the U.S. On the eve of the 38th annual General Assembly, U.S. delegate Charles Lichenstein said, "The U.S. mission will be down at the docks waving you farewell." Russia accused the U.S. of preventing Foreign Minister Gromyko from attending the session.

The South Korean jetliner shot down Sept. 1 formed part of a U.S. spy mission, Moscow charged. The Tass news agency also charged that the Boeing 747 was delayed 40 minutes during a refueling stop in Alaska so that an orbiting U.S. spy satellite would be in position to monitor the plane's intrusion over Soviet nuclear installations.

Polish officials warned of 20% to 40% increases in food prices. A Communist Party official in Warsaw confirmed reports of panic hoarding in some provinces.

Washington Public Power supporters in the Senate dropped a plan designed to help the project raise construction funds. Foes were prepared to filibuster the plan or to amend it substantially.

A Denver meeting...

HOUSE
seasonal
units for
the Com
story of

Del
Of
Inv

Anti
T
T

Staff
ANCH
Railroad
than the
heat for
not, the
tucked
races for
line's lo

Stran
as the
claims it
put here
million
money a
subsidia

Strange
would pro
successful

"We
cate post
Jones, th
manager

That's
which en

196A-1774-160

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mx

SEARCHED	INDEXED
SERIALIZED	FILED
1983	
FBI-NEW YORK	

h

Newsday

THE LONG ISLAND NEWSPAPER • TUESDAY, SEPTEMBER 20, 1950 • 10 CENTS • NASSAU

Oil-Trade Tycoon In \$48-M Tax Rap

Marc Rich, LI Commodities Whiz, Indicted

Page 2



The destroyer John Rodgers, one of two U.S. ships that shelled Druse positions off Beirut's coast.

U.S. Ships Shell Druse Posts To Support Lebanese Forces

Page 5

U.S. Accuses Oil-Trade Kingpin Of \$48-Million Tax Fraud Plot

By Pete Bowles
and Barbara Fischkin

Marc Rich, the architect of a \$10-billion international commodities empire, yesterday was charged with evading \$48 million in federal taxes and illegally buying oil from Iran during the hostage crisis in what was described as the largest U.S. tax fraud plot ever prosecuted.

According to a 51-count indictment handed up in U.S. District Court in Manhattan, Rich, 48, two of his business associates, Marc Rich & Co. AG, their Swiss company, and Marc Rich & Co. International, its American subsidiary, conspired to defraud the U.S. Treasury of more than \$100 million in income during 1980 and 1981.

"They were able to do this by diverting profits on crude oil transactions out of the country to foreign corporations, including Marc Rich's Swiss company, the indictment said. The profits, characterized as 'huge' by federal prosecutors, were allegedly made by selling 'price-controlled' domestic oil at uncontrolled prices."

Rich, on the *Fortes* Magazine's list of the 400 wealthiest Americans, also is the target of separate federal Energy Department investigation, looking at charges that his American subsidiary sold crude oil at illegally high prices, including Nigerian crude, sold to Atlantic Richfield during the Iranian crisis.

Rich, his business partner, and long-time friend, Pincus Green, 49, and an associate, Clyde Melzer, 38, and two companies are charged with violating the Racketeer-Influenced Corrupt Organizations Act. Under that statute, the government can collect triple damages. With that in mind, the defendants' lawyers, which include \$40 million from Lido and a major share of 20th Century Fox Film Co., have been desperate.

Arrest warrants have been issued for Rich and Green, both of whom are believed to be in Zug, Switzerland, area where their company headquarters are located. Each of the defendants also is charged with numerous mail and wire fraud violations. The defendants face terms of 20 years and \$25,000 fines on the racketeering charges and anywhere from 5 to 10 years on the each of the other charges.

The indictment says that during the Iranian hostage crisis, Rich and Green purchased 6.2 million barrels of crude and fuel oil from National Iranian Oil Co. after the Nov. 4, 1979, seizure of the American embassy in Tehran. After the hostage-taking, trade with Iran was declared illegal.

U.S. Attorney Joseph Giuliani, who characterized the case as the largest U.S. tax fraud scheme, added that U.S.

banks were unwittingly used to transfer more than \$200 million out of the country to the Iranian oil company. The oil had been pre-sold in the United States. And, in a prepared statement, the U.S. Attorney's office said the defendants had been "adding the insult of tax evasion to the injury of deliberate violations of the federal oil price controls." Price controls ended in January, 1981.

Marc Rich International, which is now called Clarendon International, according to the indictment, arranged that barrels of "price-controlled" oil "passed" through the hands of numerous oil resellers in what is known as "daisy-chain" transactions, all with the objective of making it easier to falsely alter the certificate of the barrels to uncontrolled oil. The indictment charges that this enabled International to buy the oil back and sell it at higher, "unfixed" prices.

According to Giuliani's statement, the use of third-party oil resellers and "sham" oil transactions enabled the defendants to make it seem as if the profits belonged to the Swiss parent company which does not pay American income taxes. The defendants are also charged with arranging more than \$33 million in fraudulent tax deductions.

The indictment stems from a 1½-year investigation by a federal grand jury which until now has gained worldwide publicity from its partially successful attempts to obtain business documents from the Rich empire.

This summer, the Swiss government seized a number of the documents in question, saying it wanted to make sure that Rich would not be breaking the country's economic espionage law by handing them over. That move led to speculation that Rich, whose company is a large Zug taxpayer, was in cahoots with the Swiss government. After the documents were seized, Rudolf Mosmann, the prosecutor for the Canton of Zug, and a director of Marc Rich AG, temporarily stepped down from his position as prosecutor.

Marc Rich AG has been paying a \$50,000-a-day fine levied when it refused to produce all the documents. And in what prosecutors view as an attempt to stymie the legal process, Rich used his own company and sold his American subsidiary to some of his foreign partners. This summer, one of his employees was caught trying to fly two trunks of documents to Switzerland.

Rich, who has refused a half dozen requests for interviews, could not be reached. Meanwhile, the Belgium-born commodities trader, who speaks English, French and Spanish, reportedly had tried to become a Spanish citizen.



The secretive Marc Rich outside his home recently in Zug, Switzerland.

Millionaire Who Doesn't Look It

By Barbara Fischkin

Lido Beach — Marc Rich's name may be his most ostentatious trapping. At 48, he is one of the foremost oil traders in the world with a personal fortune reported to be about \$100 million.

His two-story oceanfront home in Lido Beach cost only \$250,000. And his fiber glass boat, with an inboard motor, is only 20 feet long. Says neighbor Al Herah, "One day, I saw him picking up trash. I didn't know he was one of the richest men in the world."

Rich, a balding family man, has spent the past few summers at his home here with his wife, Denise, and their three daughters. This summer, he is reported to be at his company headquarters in Zug, Switzerland, a picturesque provin-

dial capital that looks up at the fruit-tree covered slopes of the Zugspitze, a 9,255-foot mountain.

But wherever he goes in the world, he seems to leave the same impression. Says London businessman John Hughes, "You wouldn't know him from a \$50,000-a-year bank executive."

And that's the way Marc Rich likes it. In less than 10 years, he's turned a fledgling firm into an international money-making conduit for more than \$10 billion in commodities — a financial

analyst calls "a rare if not unique" feat. One of his companies was the silent partner in the purchase of 20th Century-Fox Film Corp. The story that to be at his company headquarters in Zug, Switzerland, a picturesque provin-

Continued on Page 33

Vegas Thieves Had the Right Pull

Las Vegas (UPI) — Ill-tech criminals who triggered a \$1.7-million world-record slot-machine jackpot may have purchased a similar machine and planned the job for several years before staging the crime in a busy casino, a manufacturing executive suggested yesterday.

International Games Technology manufactured the slot machine targeted for a jackpot that Aug. 19 at Harrah's hotel-casino in Lake Tahoe. The firm's vice president, Ray Pike, said a

news conference yesterday. Once you have purchased one of these machines, there are devices, not expensive, that assist in working on and analyzing these machines.

Pike stopped short of saying organized criminals actually purchased a machine similar to the one on which Gus Economopoulos, 61, a retired San Francisco warehouse worker, won the \$1.7 million jackpot last month. It occurred at the same time a surveillance camera at Harrah's broke down.

But Pike said company records showed that 2,000 to 3,000 such machines have been sold to individuals in Nevada over the past several years.

This operation probably took five years to plan and cost \$400,000, said Pike.

Economopoulos collected only the first \$200,000 of the \$1,701,938 jackpot before Nevada Gaming Control Board agents discovered the plot to cheat the casino.

That a "slot cheating" gang had rigged the machine through sophisticated electronic manipulation, Gaming agents told Harrah's not to pay off the remainder of the jackpot. State

agents said Economopoulos admitted taking part in the scheme. No charges have been filed against Economopoulos.

There are several ways to alter a machine, Pike said. He did not discount the possibility that the computer program was bypassed by a sophisticated method.

soon, he said, for about \$250,000 worth of roadway and parking lot improvements.

—Alex. Inc. Staff

Rich Maintains a Modest Exterior

—Continued from Page 3—
was that Rich bought his share by writing a \$200 million check.

His world is one in which corporations treat governments like fellow corporations. When Nigeria was selling its crude oil to American companies in the wake of the Iranian embargo, the middleman was Marc Rich.

"We had never had any relationship with the Nigerian government," says Richard Morse, an attorney for Atlantic Richfield Co., which was losing 200,000 barrels of crude oil a day during the crisis. "We had tried several times. The Nigerian government was one which liked to deal with people it knew. It had dealt with Rich and knew him. So we were fairly unsuccessful in being able to persuade them to sell us crude oil when we had made attempts to do so directly."

But until recently, Rich himself generated as much publicity as a middle-level manager in his worldwide company, which deals in a broad range of commodities, particularly petroleum and metals. Then a federal investigation—which first made headlines this year and resulted in yesterday's indictments—thrust Rich into the kind of spotlight shunned by the international fraternity of traders.

Rich has refused repeated requests for interviews, but business associates, investigators and others who know him have provided the following details.

He was born in Belgium on Dec. 13, 1934, and later fled to the United States to escape the Nazis. By the time he was 16, his father, David, who worked for Malrose Bag and Burlap Co. in Manhattan, had made enough money to send him to the Rhodes School for his senior year.

"He might have been a business genius but an academic genius he was not," says Donald Nickerson, headmaster of the school. He said Rich was a "B" student but "people thought very highly of him. He got very top ratings for seriousness, initiative, concern for others, responsibility, emotional stability."

The young Rich then went on to New York Univer-

sity's School of Commerce. But he left after a year for a more practical education: a job in the "rates and roots" department of Philip Brothers Inc., a large metals trading house. He learned the business the way almost every other trader did—from the bottom up. It was Rich's job to find the cheapest, quickest routes for cargo. The clerks who showed expertise at this were promoted to assistant trader and later to trader. Rich distinguished himself so well that he became the protégé of Ludwig Jesselson, who was then the company's chairman and chief executive.

Traders who knew Rich during the two decades he worked for the company, now part of Phibro-Salomon Inc., remember the deft way he parlayed one contact into another. In one case, he used the connections he had in the carboamin trade in Iran as his entree to oil suppliers there. By the early 1970s, he had made the company supreme among oil traders.

But in 1974, when the company refused to pay him a \$1.5 million commission, Rich quit. Along with other investors and several traders hired away from Phibro, he formed a new company. His co-founders included former Phibro trader Eincus Green, who also was indicted yesterday. Rich was serious. Green craved good jokes. The business community once credited them with singlehandedly jacking up the worldwide price of oil.

Rich had an uncanny ability to see a great deal before anyone else, evidenced by the way he cornered Nigerian crude months before any other trader or even imagined there would be an embargo on Iranian oil.

"It was a stroke of luck and guts," says one former business associate. "He signed the contract as we understand it, prior to anything happening in Iran. For three or four months prior to that he lost what I would consider a lot of money. But a supply of crude you can count on. Long term you'll make money on it, but you'll have to be able to handle the bad times. I think the man was a genius." He has almost a sixth sense about the oil business.

"They were tough," says Ronald Herman, a scrap dealer who has done business with Rich and Green. "They got into the business and they were able to hire some of the better scrap traders. I found them to be hard, not easy to deal with. But I had a couple of pieces of business where I made some money with them. There was nothing that they did that was ever unethical. They were just very tough."

And they kept their dealings to themselves. "In commodities trading, if you're not secretive, you're dead," says analyst Arthur Corp.

"Nobody wants to sell at the bottom. Nobody wants to buy at the top. And that's why information is so zealously guarded."

Fellow commodity traders—who share Rich's penchant for privacy—are rattled by one particular element of the current investigation. The U.S. government has been making a relentless effort to obtain documents that could reveal the workings of Rich's firm and set precedents to obtain similar papers from other international traders.

To Rich and many other traders the investigation amounts to interference; they believe they are working on a world stage beyond the jurisdiction of any one nation.

Alexander Hackel, chief executive officer of Marc Rich AG, has written in court papers that the company is "a Swiss corporation neither doing business within nor subjecting itself to the authority of the United States." He characterizes the courts' attempt to prove jurisdiction over the company as "an unjustified extension of the power... which should be shunned because of the harm it may do to the interest of the international business community."

Paul Erdman, a former Swiss banker who now writes novels about international business, says the high stakes traders of the commodities market do not consider themselves obligated to any particular nation. "What they have is an international floating crap game and there are no rules governing international floating crap games."

196A-1774-161

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/ma

15 15
15
15

Marc Rich's Recipe for Hiding \$100 Million: First, Get a Big Pot . . .

The federal indictment outlines a complex scheme by which Marc Rich and Pincus Green, prosecutors contend, earned \$71 million in illegal profits from the U.S. operations of Marc Rich & Co. International Ltd. and later diverted the income offshore to International's Swiss parent, Marc

Rich & Co. AG. The pair allegedly hid another \$33 million from U.S. tax authorities through sham crude oil transactions designed to register huge losses on Marc Rich International's books. The Marc Rich "recipe" for the scheme, as described in the indictment, called for three steps:

Step 1: Illegal Profits

Marc Rich International moved cheap, price-controlled oil through a "daisy chain" of resale deals from which it emerged, mislabeled, as high-priced, uncontrolled crude. It sold the oil into the chain through West Texas Marketing Corp., a domestic crude oil trader, which promised to sell it back to Marc Rich as uncontrolled oil for a fraction of the market price. Marc Rich International reaped huge profits when it sold the mislabeled oil at world market prices, despite federal regulations limiting the average markup for crude oil resales to 20 cents a barrel.

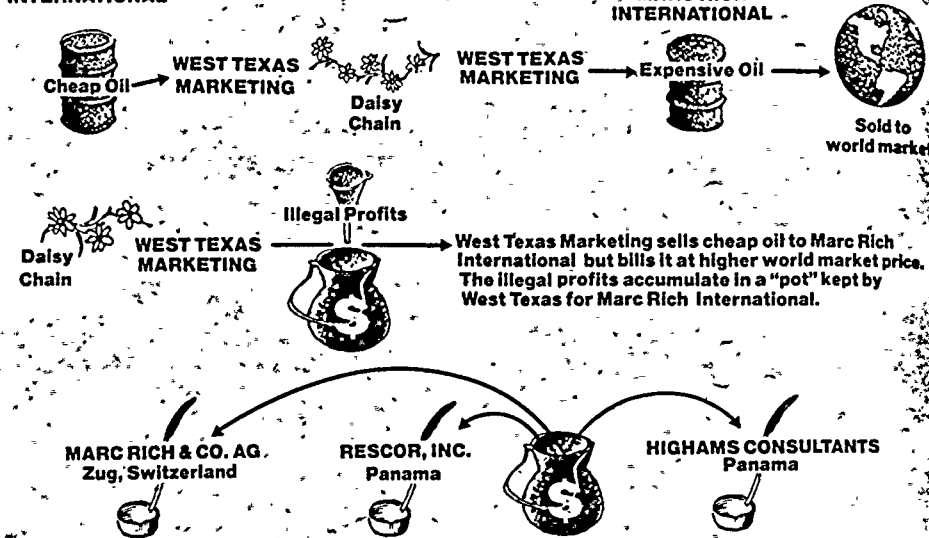
Step 2: Filling the Pot

When Rich and Green realized that Marc Rich International would be forced to file a U.S. tax return on the illegal profits, they added a new wrinkle to their deal with West Texas Marketing. West Texas would bill Marc Rich International at the higher world market price for the mislabeled crude, but agreed to kick back the difference between the low, controlled price and the invoice price. As a result, none of the profits ended up on Marc Rich International's books. Instead, they accumulated in a "pot," the Texas company maintained for it. More than \$23 million in illegal profits went into the West Texas "pot" between October 1980 and May 1981. A similar arrangement between Marc Rich International and another Texas oil reseller, Liso Petroleum, netted \$47 million for a separate "pot."

Step 3: Moving the Profits Overseas

To ladle profits from the "pots" to Marc Rich AG's foreign bank accounts, the traders engineered a series of sham transactions. In these deals, Marc Rich AG first would sell foreign crude oil to West Texas and Liso and on the same day the Texas companies supposedly would resell it, at a \$3-a-barrel loss, to Marc Rich's Panamanian subsidiaries, Rescor Inc. and Highams Consultants. A total of \$71 million moved offshore to Marc Rich AG in Switzerland in this way, ostensibly to pay for the foreign crude. Separately, Marc Rich fabricated invoices to transfer another \$33.7 million in profits from New York to Switzerland.

MARC RICH INTERNATIONAL



Forging Links in the Chain

The Justice Department's Case Against Marc Rich

By JAYE SCHOLL and LAWRENCE J. TELL

UNFATHOMABLE crimes unsettle the mind. They leave questions and no resolutions. For a while, the crimes that the Justice Department says Marc Rich and his partner, Pincus Green, committed seemed just that, unfathomable. Both men are fabulously wealthy. Why would they risk a reckless route to ruin by evading U.S. income taxes?

The answer became stinging clear when they were indicted last week. If the government's charges are true, Rich and Green had no choice. They couldn't pay millions of dollars they owed in taxes because their profits were illegal. It was the same problem any cocaine dealer or gun-runner faced, except Marc Rich and Pincus Green probably made more money than the best-connected drug dealer. In just two years, Rich and Green had such staggering illegal profits that they evaded more than \$100 million in taxes owed, not income, by shifting money to their foreign companies. They allegedly reaped the enormous profits by trading cheap oil at high prices in violation of the Department of Energy's price controls. And once they had the profits, they had to find a way to hide them, and ultimately, get them out of the country.

How they supposedly did that makes the indictment intriguing reading. It may make a powerful case, too. But there are some hurdles. Rich reportedly listened to news of his indictment as a "guest" of Switzerland. Yet, a year and a half ago, about the time the grand jury issued its first subpoena, Marc Rich

started lining up a more permanent refuge in Spain, where he has owned a villa for more than a decade. Last month, he renounced his American citizenship and asserted his new Spanish nationality, according to Spanish and American sources.

Spain not only has the glorious, sun-drenched Costa del Sol, but one of the best extradition treaties with the U.S. for a person in Marc Rich's predicament. That's because Spain apparently won't extradite a new citizen who committed crimes before becoming Spanish. Many other countries will. A quick assessment of the extradition treaty looks like "Spain does the trick" for Rich, as a State Department official put it. Since Marc Rich and Pincus Green can't be tried unless they are in the U.S., the question of whether Marc Rich, at least, will be extradited may soon switch from Switzerland to Spain. As far as is known, Green still remains a U.S. citizen.

The indictment says Rich and Green devised a scheme to stash illegal profits in "pots" hidden for them by two small oil companies. The two companies tended the two pots, holding \$71 million, and then ladled the illegal profits into the coffers of Panamanian and Swiss companies owned by Rich and Green. They did that in a series of sham transactions, arranged by Rich, by buying crude oil from Rich and Green's Swiss company and on the same day, reselling it to Rich and Green's Panamanian subsidiaries at a loss. Rich and

Green's foreign companies racked up huge profits, all of which were untouchable by the IRS, but more important, hidden from the Department of Energy whose oil price-control laws they had violated. U.S. Attorney Rudolph Giuliani called this double affront—making illegal profits and then not paying taxes on them—an act of adding "insult to injury."

In a separate scheme outlined by *Barron's* last week, Marc Rich International rerouted another \$33 million directly to its Swiss parent company, buying oil from the Swiss company and selling it at a loss in the U.S. Those two schemes, which put more than \$100 million income beyond the reach of the IRS, makes this the biggest tax evasion case the Justice Department has ever prosecuted. It's unlikely that record will be broken for a long, long time, especially since the Justice Department is about to amend the indictment and accuse them of evading twice as much as in the original indictment.

That's enough, but that's not all Marc Rich and Pincus Green did, insists the government. The level of indignation rose in Assistant U.S. Attorney Morris Weinberg Jr.'s voice during a press conference last week, as he charged that the pair traded oil with the National Iranian Oil Co. during the Iranian hostage crisis. With traces of his Chattanooga, Tenn., accent surfacing, "Sandy" Weinberg emphasized that Rich and Green were "American citizens doing business in the United States," but

who nevertheless "traded with the enemy"—sending \$200 million that should have been frozen in U.S. banks to the Ayatollah Khomeini.

For these and numerous other alleged crimes, the two 49-year-old men each face 325 years in prison if convicted. Those are big numbers and not very likely to stick. But they do make it easy to understand the U.S. Attorney's Office's aplomb when Rich and Green's lawyers tried plea-bargaining for four to five years in jail for their clients in exchange for dropping the investigation. The offer was rejected, as reported by *Barron's* last week. (A third man, Clyde Meltzer, was also indicted. Meltzer, who faces only 140 years in prison if convicted, is a vice president for one of the two small oil companies tending the pots. Sometime this summer, Meltzer moved from Texas to New York because he got a new job: he trades crude oil for Clarendon Ltd., a Marc Rich & Co. spin-off company.)

Rich and Green's scheme might have gone unnoticed forever if Atlantic Richfield Oil Co. had not supplied information, according to those familiar with the investigation. ARCO dealt frequently with Marc Rich & Co. International during the second oil crunch in 1980. With a large part of its daily oil requirements cut off by the Iranian revolution, ARCO turned to Marc Rich International, which held huge supplies of Nigerian crude oil under contract. ARCO got its oil, but it paid dearly for it.

ARCO denies that it was the catalyst for the uncovering of the alleged design of deceit, but acknowledges it supplied information to the grand jury about its transactions with Marc Rich and that some of its employees testified after being subpoenaed. So far, that's the extent of ARCO's involvement.

Exxon Corp., Mobil Corp. and Shell Oil Co. also supplied documents to the government, company spokesmen said, but Mobil's records weren't subpoenaed.

The young team of attorneys—Weinberg is 33 and Jane Parver, the chief of the major crimes unit, is in her mid-thirties—applied the no-nonsense "Racketeer Influenced and Corrupt Organization" statute, a law that has sent shivers through more than one accused. The dimensions of the alleged crimes are so enormous, so complex that the Justice Department required 56 pages to outline them. There are 51 counts. Marc Rich and Pincus Green—were charged with all 51: racketeering conspiracy, racketeering, tax evasion, mail fraud, wire fraud and trading with the enemy. Meltzer was charged with 22 counts. The only thing he failed to do, according to the indictment, was trade with the enemy. The two companies, Marc Rich & Co. AG and Marc Rich & Co. International, were also indicted on 41 counts of racketeering, racketeering conspiracy and mail and wire fraud. Marc Rich International was also charged with two counts of tax evasion.

Some of the charges arise from small actions. For example, once a month, for four months in late 1980 and early 1981, according to the indictment, Rich, Green and Meltzer used the U.S. Postal Service's Express Mail to send false statements about their profits to the Department of Energy. That netted the defendants four counts of mail fraud.

Other counts tell of more sophisticated schemes. When Rich and Green bought oil from Iran during the hostage crisis, they devised a secret code, according to the indictments, and used it for their communications. Coded telexes were kept in their New York office, the government maintains.

The heart of the indictments, however, alleges a complex scheme by which Marc Rich and Pincus Green earned \$71 million in illegal profits from the U.S. operations of Marc Rich & Co. International Ltd. and later diverted the income offshore to International's Swiss parent, Marc Rich & Co. AG. The two men allegedly hid another \$34 million from U.S. tax authorities through sham crude oil transactions designed to register huge losses on Marc Rich International's books.

The indictment is remarkable in its breadth. Reading it, it's understandable why the

Continued on Next Page

Why ZWEIG's key rule for survival and success says...

STOP!

**STOP your losses quickly but let your profits run.
Here's exactly how Zweig does it:**



Martin E. Zweig, Editor,
The Zweig Forecast

Let's face it. No one is smarter than the market all of the time. Even that Wall Street "legend," Bernard Baruch, went broke early in his career...and the greatest speculator ever, Jesse Livermore, made a \$1 million or more four different times only to lose it all back every time.

But Livermore was truly brilliant and he learned enormously from his mistakes. Indeed, Livermore's own words of more than 60 years ago say it all: "A loss never bothers me after I take it. I forget it overnight. But being wrong—not taking the loss—that is what does the damage to the pocketbook and to the soul. Of all speculative blunders there are few greater than trying to average a losing game. Always sell what shows you a loss and keep what shows you a profit."

YOUR INSURANCE

I'm pretty proud of my own record. I got my subscribers out of just about all stocks before the October Massacres of 1978 and 1979, the huge selloff in February-March 1980 and the big drop in the summer of 1981...during which I even showed profits on some short sales. And after each of those market breaks I put subscribers back into stocks, making money every time. (Do not assume, however, that future results will match past or be profitable.)

But suppose I go wrong on the market? Or, at the least, let's say out of the dozens of stocks I recommend, some of them head south. What then? When any one of my stocks buckles, you'll know exactly what to do...and more importantly, you'll keep the bulk of your bankroll intact. How? By following my suggested STOP points on every single recommendation I make.

WHAT IS A STOP?

A Stop order can be placed directly with the specialist through your broker. It directs the specialist to sell your stock "at the market" the moment it hits your Stop point...or "trigger price." Or, for OTC stocks (where there is no specialist) or on the Amex where Stop rules are a bit different, you may want to use "mental" Stops. That is, when the price falls to your trigger point, you have your broker sell you out right away.

The purpose of a Stop is to stay consistent with Jesse Livermore's rules...to let your profits run but to cut your losses short. If you buy a stock at say \$20, you won't be too badly hurt Stopping yourself out at say \$17 for a 15% loss. You'll still have the bulk of your capital left. But if you stay paralyzed while your stock drops to say \$10, you've got big financial problems. Once your stock is cut in half, it takes a double just to get you even again. Do you know how hard it is to find stocks that double? Worse, if your \$20 stock falls to \$5 (a 75% loss), you'll need a 300% climb to break even. So, it's sheer folly to let losses get out of hand. Remember: **YOUR FIRST LOSS IS YOUR BEST LOSS!**

LOCKING IN PROFITS

So, I always use STOPS in my advisory letter, THE ZWEIG FORECAST. After I pick a stock, I typically set Stops about 10% to 20% below the buy price. The exact level depends on my own analysis of the stock's trading pattern and the experience I've gained from my more than 20 years in the market. If the stock drops right away—which is about the worst thing that can happen—I'm Stopped out with a moderate loss...but I've got most of my money left. That gives me the opportunity to find a better stock. That's right: A small loss, when realized, becomes an opportunity for profit elsewhere. It gives you the chance to turn a liability into an asset, instead of just sitting there, and praying that your old stock will come back.

If my stock goes up, I raise the Stop to lock in profits. The more the stock rises, the more I raise the Stop (though I might give the Stop a bit more distance than at first). In other words, I try to let my profits ride...but with the protection of the trailing Stop. Finally, when the market turns down, I'll be taken out with my Stop, sometimes with big profits. But I'll be back in gear with the tape. By using Stops, I let the market tell me what to do. And I sleep a lot better at night knowing that my Stops will keep losses from getting out of hand and that the Stops will lock in nice gains on any stocks on which, fortunately, I may have big paper profits.

PHONE SERVICE FOR STOPS

You don't have to use my exact Stop points. But my Stops should be useful guides for you if you're following my stock selections. Also, I don't keep you hanging between issues of *The Zweig Forecast* in these days of wildly gyrating markets. I have a PHONE SERVICE which is included with your subscription. For no extra charge, you get our unlisted phone number (it changes every two months) which hooks up to all of our 48 private phone lines. At least twice a week, plus on any day when the market is "hectic," you'll hear a 2-3 minute recording which I make personally. I give you the latest update on my market indicators, pick new stocks, sell off older ones, and most importantly, change Stop points on current holdings. So, as prices quickly change, you can update my suggested Stop points by simply dialing the phone.

In sum, I try to do what's best for my valued subscribers, even when I'm wrong. Remember, when you use Stops, you can cut your losses short and keep enough money to come back again. It's downright senseless to get buried in a stock because you or your advisor gets stubborn when it falls. I keep a list in every issue of all recommendations not yet sold out. The list includes the initial buy price, the percentage change since bought, my own computer rating on the stock and above all, the suggested Stop point. And, of course, between issues my PHONE SERVICE keeps you abreast of all changes in Stops, your insurance.

SPECIFIC RECOMMENDATIONS

If my investment approach appeals to you, I hope you'll join with me to see how well we work together in actual practice. For starters, I'll send you a complimentary bonus copy of the very latest issue of *The Zweig Forecast*, showing every one of the more than 20 stocks I now recommend and the exact Stop point I suggest for each. Plus the unlisted number of my private Phone Service. Just mail the coupon.

THE ZWEIG FORECAST

747 THIRD AVENUE, NEW YORK, N.Y. 10017

Please send me the bonus outlined above—plus the unlisted number for Dr. Zweig's 24-hour special telephone service—and enter my subscription to *The Zweig Forecast* as follows:

- ☐ Special Three Month Trial for \$50.
☐ Six Months...\$145. ☐ One Year...\$245.
☐ Two Years...\$415. (NY residents add sales tax.)
☐ Payment enclosed. Charge to: ☐ MasterCard ☐ Visa

SIGNATURE _____

ACCOUNT # _____

EXPIRATION DATE _____

NAME (PRINT) _____

ADDRESS _____

CITY _____

STATE _____

ZIP _____

(Tax deductible; not assignable without consent.)

B-579

FORGING LINKS.

Cont. from Preceding Page

government's investigation took a year and a half.

The government says Marc Rich International launched its scheme through a "daisy chain," a benign-sounding label for a scam to circumvent federal price controls on so-called "old" oil. Old oil sold cheap under the controls, but "stripper" oil from wells that produced less than 10 barrels a day wasn't controlled. So the chain amounted to a series of resale deals designed to transform low-priced "old" oil into expensive "stripper" oil. Marc Rich

International allegedly played one daisy chain by selling "old" oil to West Texas Marketing Corp., a domestic crude oil firm in Abilene, Texas, which promised to sell it back to Marc Rich for a fraction of the market price. Cheap crude that Marc Rich International sent through the chain emerged, courtesy of West Texas, with labels falsely identifying it as high-priced, uncontrolled crude. When Marc Rich International sold the mislabeled oil at world market prices, the government charges, it reaped huge profits.

The same deal was cut with a Houston-based company,

Listo Petroleum, according to the indictment. To fuel the Listo daisy chain, Marc Rich bought 18 million barrels of Alaskan North Slope oil from Arco. Later, Rich and Green told Arco to switch the contract directly to Listo.

So much money rolled in through the two schemes—\$71 million, according to the indictment—that Rich and Green soon faced a unique, if not totally unpleasant, problem. The daisy-chain profits were earned in violation of federal law, first because the crude's origins had been disguised and second, because crude resellers normally could add only 20 cents a barrel as their markup. Since Mark

Rich International would be forced to file a U.S. tax return on the illegal profits, Rich added a new wrinkle to his deal with West Texas and Listo. The Texas companies would bill Marc Rich International at the higher world market price for the mislabeled crude but agreed to kick back the difference between the low, controlled price and the invoice price. As a result, none of the profits ended up on Marc Rich International's books but accumulated instead in a "pot" the Texas companies maintained for it. More than \$23 million in illegal profits went into the West Texas Marketing "pot" between October 1980 and May 1981. Justice cal-

culates that another \$47 million ended up in a separate pot that Listo tended for Marc Rich International.

To move funds from the "pots" to Marc Rich AG's foreign bank accounts, the traders allegedly engineered a series of sham crude oil transactions. As the government tells it, in these deals, Marc Rich AG first would sell foreign crude oil to West Texas and Listo and later that same day the Texas companies would supposedly resell it, at a \$3-a-barrel loss, to Marc Rich's Panamanian subsidiaries, Rescor Inc. and Highams Consultants. Eighteen separate sham transactions, which even named the tankers carrying the same-day crude, were used to move a total of \$71 million offshore to Marc Rich AG in Switzerland.

Separately, it is charged, Marc Rich fabricated invoices to transfer another \$31 million in profits from New York to Switzerland. The Swiss company, Marc Rich AG, sold foreign crude at deep discounts to Charter Crude Oil Co.'s Bahamian subsidiary while Marc Rich International in the U.S. bought controlled domestic oil from Charter. The controlled barrels went into the West Texas daisy chain and Marc Rich International again earned tremendous profits. The government contends that, to send them offshore, Marc Rich ordered his comptroller to draw up phony invoices that made it appear that Marc Rich AG actually made the profit on the Charter deals. The invoices were later destroyed and replaced by new ones, sent from Switzerland, that looked more authentic.

All of the details behind these alleged schemes won't emerge until the trial.

But all of that is a long way off. The government's investigation continues. Prosecutors already have in hand enough evidence to double the ante against Marc Rich by charging that he and his companies evaded another \$48 million in taxes through similar crude-oil scams. What other companies and individuals their net will haul in remains to be seen. The trial may take months. Meltzer apparently is still in New York, but Rich and Green were last heard from in Zug, Switzerland, a small Swiss tax haven and the headquarters for Marc Rich & Co. AG. The arraignment is set for this Thursday in New York.

If Rich finds sanctuary in Spain, the next question is whether Switzerland will extradite Green. Or will Green extricate himself from a haven so foreign from the close-knit Brooklyn Jewish community in which he felt so much at home? Though both men have deep ties to New York, Pincus Green is less likely than his more urbane, Belgian-born partner to relish the life of an international fugitive from U.S. justice.

Even if neither man returns, voluntarily or otherwise, to an-

Continued on Page 34

Fast quotes. Trade-Plus puts you in charge, linking your personal computer with the high-speed tickers of the stock and option exchanges. You can even get "Last Sale" prices on any stock or option listed in The Wall Street Journal. Just like a broker. But that's just the beginning of Trade-Plus services.

Buy and sell through your computer.

Trade-Plus allows you to place buy and sell orders through your personal computer. With Trade-Plus you're connected directly with your broker's wire-

room. So, you're in control. Computer fast. No delays in relaying your order to the exchange. Confirmation in minutes. All via your personal computer.

A record of everything.

Trade-Plus records every trade, automatically showing your gains and losses in real or "paper" terms. You get a complete record of your portfolio position. In seconds. Plus, continually updated tax records. Trade-Plus even allows you to transfer, store, and manipulate data on your computer. Simply

24-Hour convenience.

Trade-Plus puts the market at your fingertips. Anytime. Anywhere. All Trade-Plus services are available round-the-clock, so you can manage your investments and place orders when it's convenient for you...not your broker.

Easy to use. Trade-Plus is designed for investors...not computer experts. You'll be using Trade-Plus in just a few minutes. Even if you've never before used a personal computer.

Easy to afford. Trade-Plus offers you far more than simple

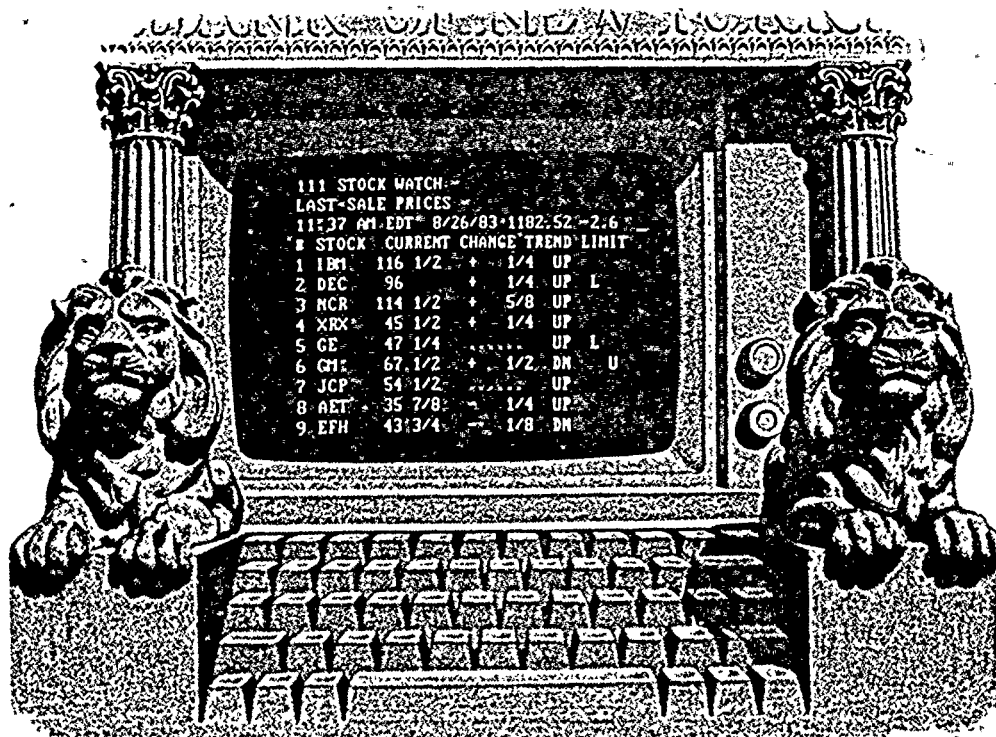
"quote" services. Order entry. Portfolio management. Automatic tax record-keeping. And more. All for less than the cost of most quote services alone.

Information fast. Call us toll free any weekday between 8:00 AM and 5:30 PM (Pacific time): **800/952-9900***

You'll get complete information on the Trade-Plus quote and trading system...the system that puts Wall Street on your personal computer.

*In California, call toll free: 800/972-9900

PUT WALL STREET ON YOUR PERSONAL COMPUTER WITH TRADE*PLUS.



Trade-Plus is a trademark of Trade-Plus, Inc. ©1983 Trade-Plus, Inc.

FORGING LINKS

Continued from Page 32

swer the charges, the government is prepared to move to trial against their two companies, Marc Rich International and Marc Rich AG. Both firms face racketeering counts that could force the seizure of their considerable U.S. assets. That includes 50% of 20th Century-Fox Film Corp., which Rich obtained in 1981 as the silent partner of Denver oil tycoon Marvin Davis. Court orders freezing "hundreds of millions of dollars" in Marc Rich assets were obtained last week hours before the indictments were disclosed.

If the companies are convicted, the government could end up with more than enough cash to satisfy the multimillion-dollar tax bill Marc Rich and Pincus Green left behind. And the two commodities traders would surely see the destruction of the business empire that made them fantastically wealthy fugitives from their homes.

Extradition is problematic at this point, if only because goodwill between the U.S. and Switzerland has suffered lately in a tug-of-war over Marc Rich & Co.'s corporate records in Zug. The Swiss have balked at the

U.S. government's style in requesting them. To the Swiss, it comes down to manners. They would release the documents, but in effect, they want the U.S. government to say, "please."

Having looked over the documents in Zug, Swiss authorities "have concluded that there is a case of tax fraud," according to Juerg Leutert, legal attache to the Swiss Embassy in Washington. In any case, U.S. authorities don't even have to prove tax fraud, to get the Swiss to release the documents, Leutert insists. All they must do, he claims, is show probable cause under a request for "mutual assistance," and Switzerland

could have the documents turned over to the U.S. "in three weeks."

Not good enough, the Justice Department argues. The documents that the Swiss would turn over would have the names of third parties blocked out and hence can't be admitted into court as evidence. The Justice Department believes that a request for documents without the names blocked out would thus delay the case for months, if not years. And furthermore, it adds, the Swiss' reasons for protecting the documents are simply wrong. The Swiss think Marc Rich AG is a Swiss-based corporation that did no business in

the U.S., and is therefore not subject to U.S. subpoenas. An American delegation flew to Bern, the Swiss capital, in early September in an attempt to persuade the Swiss that Marc Rich AG did, in fact, do business in the U.S., so there was no justification for protecting the documents. And last week, even the lawyers for Marc Rich AG withdrew affidavits from the court record which swore that Marc Rich AG never did business in the U.S.

"The issue of whether Marc Rich AG does business in the U.S. is irrelevant to us," counters Leutert. "The point is that a foreign nation cannot subpoena a Swiss entity. Only Swiss authorities can do that." But a larger problem for the Swiss looms here. The tax haven business is one of Switzerland's largest industries. And there are dozens of countries ready, willing and able to offer a home to corporations if the fabled Swiss wall of secrecy suddenly seems penetrable.

The U.S. State Department is caught in a delicate bind. It wants to help the Justice Department, but needs to tread lightly in dealing with the Swiss. Although a neutral country, Switzerland has been considered a friendly country, if not an allied one, to the U.S. Furthermore, the documents aren't crucial. The prosecutors could try the case they laid out thus far without them. But if they had them, they could try the much larger tax evasion scheme more easily, as well as possibly discover more names and companies involved in the alleged scams.

The extradition question is tricky. Arrest warrants have been issued for both men, but the Swiss will not extradite people unless the crimes they committed in their own countries are crimes in Switzerland, and even then extradition isn't automatic. Tax evasion, a case of not reporting income, is not a crime in Switzerland, so that's out. Tax fraud, a case in which a person supplies false information to bolster false income tax returns, is a violation in Switzerland, but not an extraditable one. So that's out. Under a 1900 treaty, forgery is an extraditable offense, but not if the forgery was done just to commit tax fraud. So that's out. Or is it?

Remember that Rich and Green's first alleged crime was trading oil at illegally high prices. In the process, they had to falsify transactions. They did this to escape detection by the Department of Energy, not the IRS. Under Swiss law, submitting false invoices for the purposes of hiding illegal profits counts as forgery and would be an extraditable offense, according to Leutert. So far, the Swiss and the U.S. have not met to discuss extradition procedures.

The unfolding international drama in the Marc Rich case will move to yet another locale if Marc Rich flees to Spain. The young prosecutors had better be prepared to follow. ■

The one-button DOW.

That's really all it takes. With Scanset XL™, the Personal Information Terminal.

No need to remember passwords and wait for answerbacks. No need to tie up thousands of dollars worth of computer system. Scanset XL makes getting information from Dow Jones News/Retrieval® as easy as using an autodialer.

And that's no surprise, because Scanset XL has a programmable 36-number autodialer built right in. Instead of the 30 or so keystrokes it can take to access the Dow, you press one button. Scanset XL does the rest.

Once you're on-line, programmable function keys speed you through to frequently accessed Dow information. Use it immediately, or transfer it to a printer for a permanent record. And with the money you save in access time, you

can explore some of the 1200 other available data banks.

Scanset XL also makes it easy to get the full benefit from lower-cost phone carriers like SPRINT® and MCI®. No more multi-number muddles—just single-button savings.

What's more, Scanset XL brings you simultaneous voice and data communications. That's sophisticated "show and tell" for XL users in different offices. Or different countries. It's an extraordinary new way to exchange verbal and visual ideas when the facts, alone, don't speak for themselves.

At \$895, Scanset XL is everything you need to get the news from the Dow. Just make a couple of simple connections, and you can start getting answers moments after you take Scanset XL out of the box.

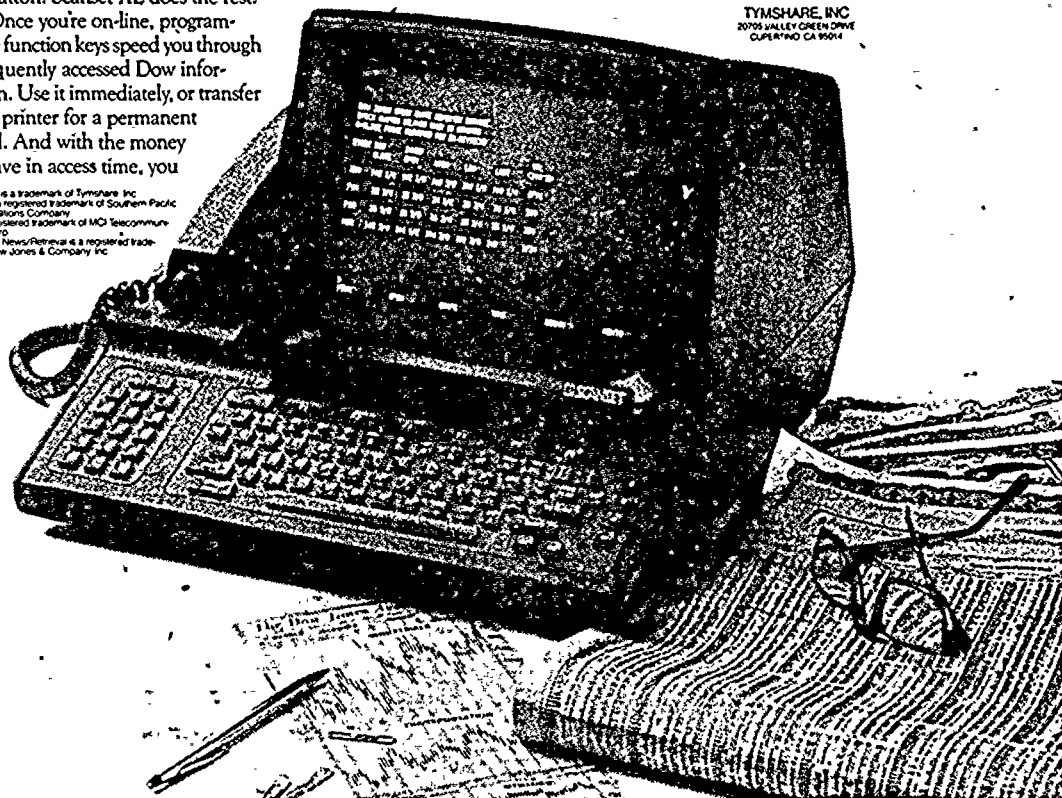
Call us at the toll-free number below, and we'll send you the whole story on speeding up your information access.

One call is all it takes.

1-800-228-2028 EXT. 61

SCANSET
THE PERSONAL INFORMATION TERMINAL FROM TYMSHARE

TYMSHARE, INC.
20705 VALLEY GREEN DRIVE
DUBLIN, CA 94568



Scanset XL is a trademark of Tymshare, Inc.
SPRINT is a registered trademark of Southern Pacific
Communications Company.
MCI is a registered trademark of MCI Telecommu-
nications Corp.
Dow Jones News/Retrieval is a registered trade-
mark of Dow Jones & Company, Inc.

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date (9/22/83)

009

FM NEW YORK (196A-1774) (M-1) (P)

TO ~~DIRECTOR (196B-2848) (ROUTINE)~~

BT

UNCLAS

MARC RICH; PINCUS GREEN; [REDACTED] MARC RICH & CO., A.G.,

MARC RICH & CO., INTERNATIONAL, LTD.; AKA "CLARENDON A.G.";

RICO - FBW - MF - TAX EVASION - "TRADING WITH ENEMY" (OO: NY)

PURPOSE OF COMMUNICATION TO KEEP FBIHQ ADVISED OF DEVELOPMENTS
 IN CAPTIONED.

AS OF [REDACTED]

[REDACTED]

JUDGE SAND WILL HOLD A HEARING ON THE QUESTION

WHETHER [REDACTED]

[REDACTED]

IN A HEARING BEFORE JUDGE SAND, [REDACTED]

THE

1 - NEW YORK
 1 - SUPV. M-1

MEB:mms

(2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 JC/mj

Approved: L/12

Transmitted

(Number)

(Time)

Per

196A-1774-162 3

b6
 b7C

[REDACTED]

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

GOVERNMENT STATED THAT THE GRAND JURY IS CONTINUING TO INVESTIGATE:

[Redacted]

b3

REGARDING THE

[Redacted]

[Redacted]

b3

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

NY 196A-1774

UNCLAS

b3
b7D

ON SEPTEMBER 29, 1983, ARRAIGNMENT FOR CAPTIONED WILL BE HELD.
RICH AND GREEN NOT EXPECTED TO ATTEND.

BT

#

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0301 2661550Z

RR HQ

DE NY 009

R 0231600Z SEPT 83FM NEW YORK (196A-1774) (M-1) (P)

TO DIRECTOR (196B-2848) (ROUTINE)

B T

UNCLAS

MARC RICH; PINCUS GREEN; [REDACTED] MARC RICH & CO., A.G.,

b6
b7C

MARC RICH & CO., INTERNATIONAL, LTD.; AKA "CLARENDON A.G.";

RICO - FBW - MF - TAX EVASION - "TRADING WITH ENEMY" (OO: NY)

PURPOSE OF COMMUNICATION TO KEEP FBIHQ ADVISED OF DEVELOPMENTS
IN CAPTIONED.

AS OF [REDACTED]

b3

[REDACTED] JUDGE SAND WILL HOLD A HEARING ON THE QUESTION

WHETHER [REDACTED]

[REDACTED]
IN A HEARING BEFORE JUDGE SAND, [REDACTED]

THE [REDACTED] 196A-1774-162

b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLAS
DATE 2/21/01 BY SP3 JC/may

b6
b7C

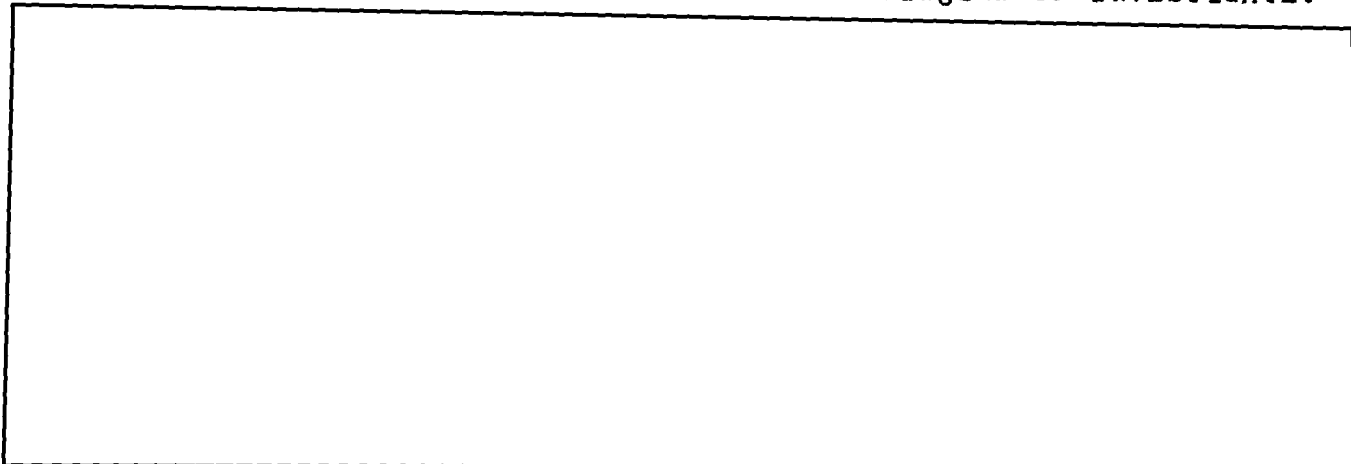
B

PAGE TWO

NY 196A-1774

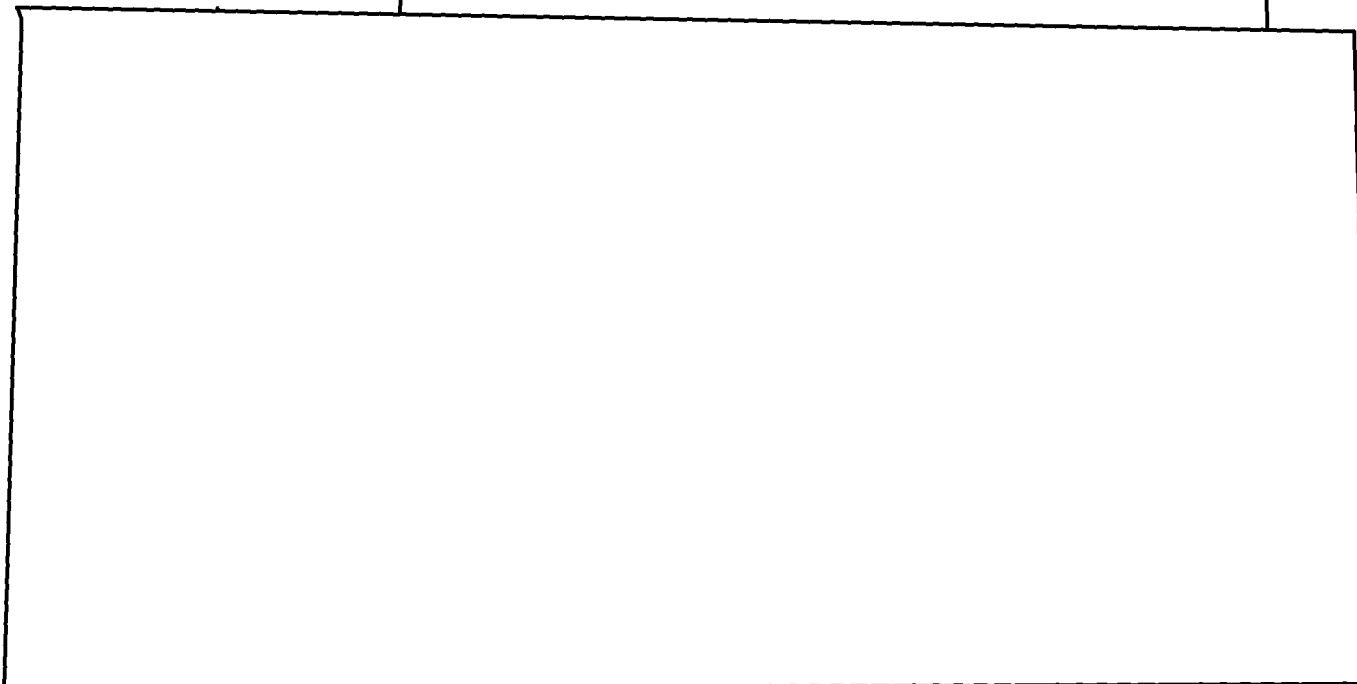
UNCLAS

GOVERNMENT STATED THAT THE GRAND JURY IS CONTINUING TO INVESTIGATE:



b3

REGARDING THE



b3

PAGE THREE

NY 196A-1774

UNCLAS

b3
b7D

ON SEPTEMBER 29, 1983, ARRAIGNMENT FOR CAPTIONED WILL BE HELD.
RICH AND GREEN NOT EXPECTED TO ATTEND.

BT

9/23/83

Date _____

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: SAC, NEW YORK
SUBJECT: MARC RICH,
PINCUS GREEN.

196A-1774

Field Office File Number

M-1

Squad or RA Number

☐ - X if a joint FBI/DEA (or other Federal Agency) operation.

☐ If case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

16. Show Money Rating Usage

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	17. Surveill. Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest - Analysis (VIA)

b6
b7C

MARC RICH & CO., AG
MARC RICH AND CO.
INTERNATIONAL;
RICO; MF; FBW -
TAX EVASION - TRADING
WITH ENEMY (OO:NY)

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
	A	B	C					
	FBI Arrests -							
	FBI Locates -							
Number of Subjects of FBI Arrests Who Physically Resisted _____								
Number of Subjects of FBI Arrests Who Were Armed _____								
Criminal Summons _____ Subpoenas Served _____								
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters		Government Defendant		
Hostages Held By Terrorists _____; All Other Hostage Situations _____				Amount of Suit		\$		
				Settlement or Award		\$		
						Enter AFA Payment Here		

F. Final Judicial Process: Judicial District _____ State _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name -

Subject's Description Code *

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/may

Subject 2 - Name -

Subject's Description Code *

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 3 - Name -

Subject's Description Code *

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks

196A-1774-163A

2 - Bureau
2 - Field Office
(1) - 196A-1774 (1 - 66-8492) (1 - IAU) (1 - Supv. M-1)

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

b6
b7C

b3

Date 9/23/83

TO: DIRECTOR, FBI

b6
b7C

196B-2848

Bureau File Number

FROM: SAC, NEW YORK

SUBJECT: MARC RICH, PINCUS

196A-1774

Field Office File Number

GREEN;

MARCE RICH & CO., A.C., M-1

MARC RICH & CO. IN-

TERNATIONAL; RICO -

FBW; MF - TAX EVASION

TRADING WITH ENEMY

(OO:NY)

☐ X if a joint FBI/DEA (or other Federal Agency **) operation.

☐ X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Usage	Rating
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveillance Sqd Asst	
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action	
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records	
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation	
						21. Visual Invest - Analysis (VIA)	

A. Preliminary Judicial Process (Number of subjects)		Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
				1	Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)		Subject Priority (See Reverse)							
		A	B	C					
FBI Arrests -									
FBI Locates -									
Number of Subjects of FBI Arrests Who Physically Resisted									
Number of Subjects of FBI Arrests Who Were Armed									
Criminal Summonses		Subpoenas Served							
C. Release of Hostages: (Number of Hostages Released)					E. Civil Matters				
Hostages Held By Terrorists					Amount of Suit				
					Settlement or Award				
					Government Defendant				
					Government Plaintiff				
					Enter AFA Payment Here				

F. Final Judicial Process:		Judicial District	1	(Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)											
Subject 1 - Name -		District	State	Subject's Description Code *											
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal		- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial		Conviction		In-Jail Term		Suspended		Probation		Fine	
						Title Section Counts		Yrs Mos		Yrs Mos		Yrs Mos			

Subject 2 - Name -		Subject's Description Code *													
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal		- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial		Conviction		In-Jail Term		Suspended		Probation		Fine	
						Title Section Counts		Yrs Mos		Yrs Mos		Yrs Mos			

Subject 3 - Name -		Subject's Description Code *													
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal		- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial		Conviction		In-Jail Term		Suspended		Probation		Fine	
						Title Section Counts		Yrs Mos		Yrs Mos		Yrs Mos			

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks:

Captioned indicted on 9/19/83, 51-count count indictment charging one count - Racketeering, one count - Racketeering Conspiracy; two counts - Tax Evasion; four counts - Mail Fraud; 35 counts - Wire Fraud and eight counts - Trading with Enemy.

2 - Bureau

2 - Field Office

See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

(196A-1774) (1 - 66-8492) (1 - IAU) (1 - Supv.)

196A-1774-163B

1983

b6
b7C
FBI/DOJ

Memorandum



To : ADIC (80-217)

Date 9/26/83

From : *JV* SA (PIO)

b6
b7C

Subject : COOPERATION WITH THE MEDIA

On 9/19/83, SAC THOMAS L. SHEER, Division II, participated in a press conference at the office of the US Attorney, SDNY, regarding the return of a 51 count indictment against MARC RICH.

FBIHQ authorization granted.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JLC/mg

1-DADIC
1-SAC SHEER
1-NEW YORK (80-221)
1-NEW YORK (66-3476)
1-NEW YORK (196A-1774)
1-PIO

JV:sst
(7)

196A-1774-163

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 26 1983	
FBI - NEW YORK	

noted per

(c - 20)

b6
b7C

196A-1774-164

SEARCHED INDEXED
SERIALIZED FILED
MAR 1983
FBI - NEW YORK

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mjg

Marc Rich's Road to Riches

A wily oil trader is charged with America's biggest tax fraud.

Only a year ago, hardly anyone outside the close-knit world of commodities trading would have recognized the name Marc Rich. Obsessively reclusive, Rich kept his billion-dollar business behind frosted glass. But now Rich is on his way to becoming infamous as a white-collar fugitive. After 18 months of investigation, a grand jury in Manhattan last week accused Rich and some of his associates of evading at least \$48 million in U.S. income taxes. U.S. attorneys called the case "the largest tax-evasion scheme ever prosecuted."

Government investigators filed 51 separate criminal charges against Rich and his partner, Pinus ("Pinky") Green, both 49. The men face long prison terms if found guilty on all counts. But the two may first have to be extradited in order to stand trial. Rich and Green fled New York City about three months ago and are believed to be living near the Alpine town of Zug, Switzerland, the headquarters of their commodities firm, Marc Rich & Co. AG.

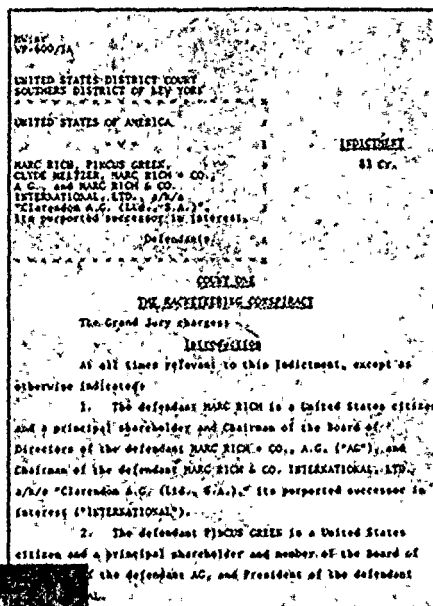
Justice Department attorneys say Rich and Green created a racket in which their company earned at least \$71 million by selling crude oil at several times the Government-regulated price during 1980 and '81. Then they allegedly shipped the money out of the U.S. to escape income taxes. The 1981 tax return for their U.S. subsidiary, for example, declares profits of only \$2.4 million, but the Government estimates its earnings were at least \$50 million more. While sifting through hundreds of thousands of Rich's business records, federal agents also uncovered evidence to accuse Rich and Green of violating a presidential embargo by purchasing oil from the Khomeini regime during the 1980 hostage crisis.

The formal charges of racketeering, conspiracy, tax evasion, mail fraud, wire fraud and trading with the enemy could earn Rich and Green prison sentences totaling 325 years each, fines of more than \$500,000 and confiscation of millions of dollars in assets. One of Rich's holdings is a co-ownership in 20th Century-Fox, which his company controls jointly with Denver Oilman Marvin Davis.

Marc Rich is one of the shrewdest and most successful commodity traders in the world. Acquaintances estimate his personal fortune at up to \$1 billion. After starting his own firm in 1974 with about

\$5 million in seed money, Rich built a group of companies that last year traded some \$10 billion worth of such commodities as oil, gold, aluminum, sulfur and sugar.

Rich, who is married and has three daughters, came to the U.S. as a child, fleeing Nazi persecution of Jews in Belgium. His father David worked in a Manhattan burlap-bag factory to put Rich through the private Rhodes School, where



The trader in Zug, the indictment

he earned a B-minus average and presided over the French club. An indifferent student at New York University, Rich quit to pursue commodities trading for the Philipp Bros. firm.

Rich proved himself a prodigy at buying and selling grains and metals. One of his biggest

market coups came during the Arab oil embargo of 1973-74, when he used his Middle Eastern contacts to circumvent the embargo and buy crude oil from Iran and Iraq. After purchasing the crude for roughly \$12 per bbl., Rich doubled the price and sold it to supply-starved U.S. oil companies. Successes like that inflated Rich's already ample ego, and in 1974 he and Co-Worker Green set up their own company.

While the two men are close business partners, they have widely differing styles. Rich, the more urbane, until recently maintained a Park Avenue apart-

ment and a house on Long Island, while Green lived in a white stucco house in the Flatbush section of Brooklyn.

Rich and Green built their company into a trading empire with an estimated 1,000 employees in 40 offices around the world, and their market exploits continued apace. In 1981, for example, Rich reportedly helped the Malaysian national tin company mastermind a scheme to boost the price of the metal by buying up much of the world's supply and stockpiling it. The ploy proved to be a roller coaster. Initially it reaped huge profits for Rich, then it brought him losses when the U.S. Government sold tin from its stockpiles and forced down the price.

From the time Rich went on his own, commodity-trading insiders were suspicious. For one thing, he broke an industry taboo by wantonly raiding his former employer for dozens of traders. For another, he put his headquarters in discreet Switzerland while actually operating mainly out of his New York City subsidiary. Says one trader: "In the business, we felt there was some hanky-panky under way."

According to the indictment, crimes indeed took place. In 1980 and '81, Rich's domestic company and two Texas firms, West Texas Marketing of Abilene and Lito Petroleum of Houston, carried out an oil-laundering and profit-hiding scheme. In the first step of the process, Rich allegedly went to domestic producers and bought crude oil that had Government-controlled prices as low as \$5 per bbl. Rich then supplied the oil to the Texas firms at the legal price. The Texas companies, according to federal officials, laundered the crude through a series of purchases so that it was difficult for Government regulators to trace the oil's origin. Then the Texans sold it back to Marc Rich's New York subsidiary at a profit as high as \$20 per bbl. Marc Rich then sold the laundered crude to American oil companies at the higher price. Finally, according to the indictment, a secret arrangement required the two Texas companies, after taking their cut, to return more than \$70 million in illegal profits to Marc Rich's headquarters in Switzerland.

One of the most serious charges against Rich and Green in last week's indictment is that during the hostage crisis in Iran they bought 6.2 million bbl. of crude worth \$200 million from the National Iranian Oil Co.

Apparently tipped off to the oil-shuffling scheme by Texas traders, the FBI

began looking into Marc Rich's dealings in late 1981. As the case progressed, two key officials emerged: Federal Judge Leonard Sand, an imposing, white-bearded figure who has repeatedly been outraged at Rich's maneuvers, and Assistant U.S. Attorney Morris Weinberg Jr., who leads a prosecuting team comprising agents of the FBI, Treasury Department, Internal Revenue Service and Customs Service.

In April 1982, Rich refused to comply with a grand jury's request for documents from his headquarters, arguing that as a Swiss company, the firm was immune to the order. After more than a year of endless motions and appeals, Judge Sand retaliated in late June by ordering Rich to pay a \$50,000-a-day contempt fine. Before payments were suspended two weeks ago, Rich's company had paid \$3.8 million in fines. In an apparent ploy to escape further fines, Rich and Green in early August secretly sold their U.S. subsidiary to other officers in the firm and changed its name to Clarendon Ltd.

When the sale became known, a furious Judge Sand threatened to freeze \$55 million worth of the company's assets in the U.S. Rich then promised to deliver the contested documents. But only three days later, U.S. Customs officers, apparently acting on a tip from a mole inside the Marc Rich subsidiary, stopped a

Swissair jet just as it was taxiing to take off from New York's John F. Kennedy Airport for Zurich. Aboard the plane were two steamer trunks full of Rich's documents.

The Rich case has been complicated by an ongoing struggle between U.S. courts and Switzerland. Judge Sand has insisted that the courts had the right to Rich's documents, but Swiss officials said that they were protected by that country's famed business-secrecy laws. After the U.S. attempted to get the Rich documents, Swiss officials seized many papers at Rich's headquarters in Zug to keep them from the Americans. Justice Department attorneys claim that the documents contain "golden nuggets" that would enable them to prove twice as much tax evasion as is currently charged. The Swiss have yet to decide whether they will extradite Rich and Green.

Even if they cannot get Rich and Green, U.S. attorneys plan to prosecute Rich's Swiss and U.S. companies and one of Rich's associates in the Listo scheme, Clyde Meltzer, 38, of New York City. Meltzer is expected to appear in court for arraignment this week.

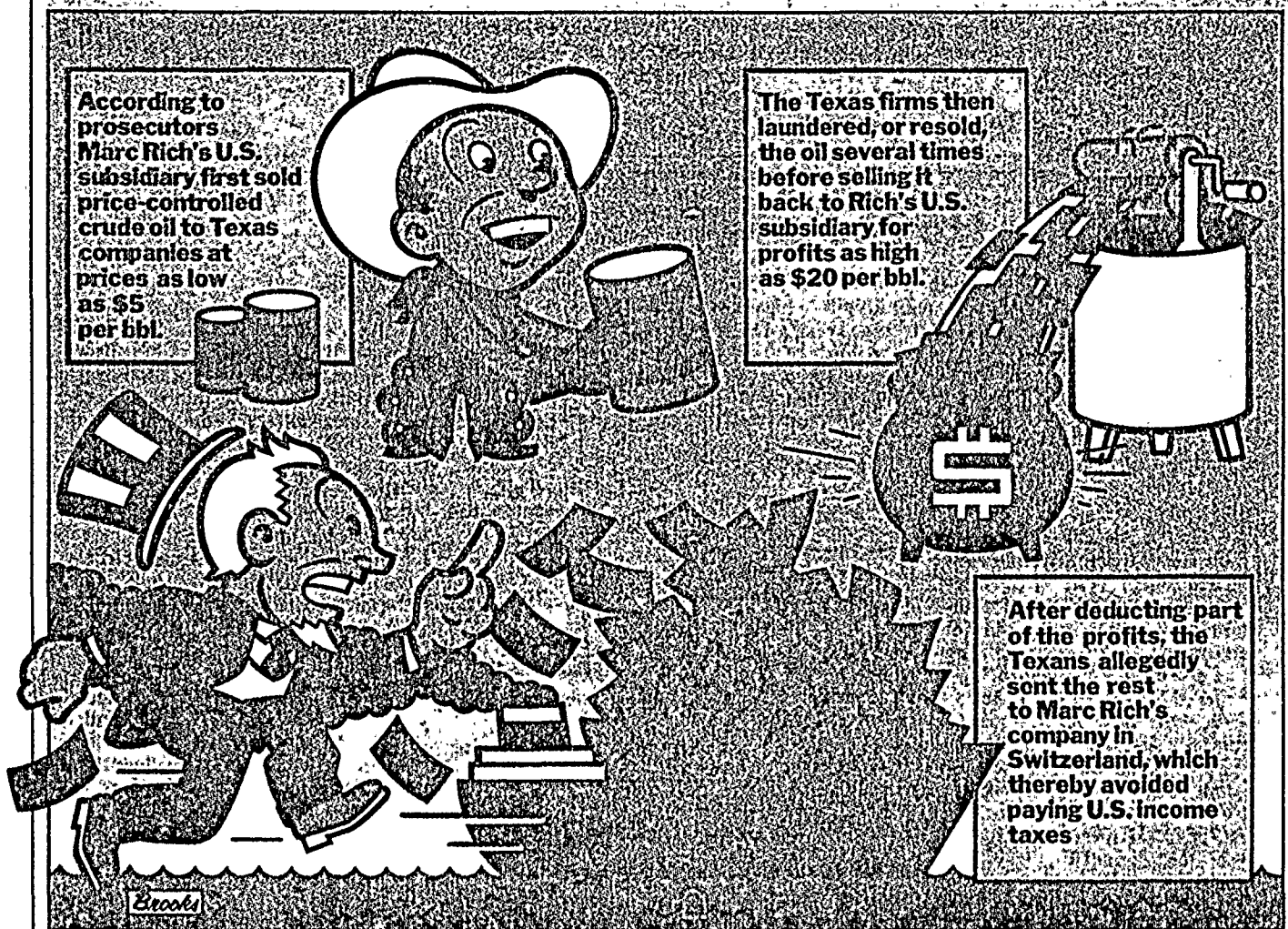
For the time being, Rich and Green apparently remain in the corporate-tax-haven canton of Zug. Rich's company is well known there for its blue-tinted,

steel-and-glass structure, which has been nicknamed "the Dallas building" after the American TV show. Zug's business community, which resents U.S. meddling, has shown some sympathy for Rich.

U.S. commodities traders, on the other hand, are less understanding. Some believe the Rich episode may arouse popular support for more Government scrutiny of their industry. Says Stefan Eliel, vice president of Associated Metals & Minerals: "Most of the commodities merchants in the U.S. were traditionally looked upon as something close to shysters. Marc Rich has already been a serious setback to us all, particularly as that image had improved."

Rich, though, has more things to consider than just his image. Hoping to return to the U.S., he reportedly tried without success recently to plea bargain with federal officials for a prison term of four to five years in exchange for a halt to the probe. The Justice Department turned down the deal. Now U.S. officials believe Rich may be preparing to abandon the U.S. forever. The globetrotting trader, who once lived in Madrid, is believed to have sought Spanish citizenship. But Spain might provide only temporary refuge. Eventually Rich may have to decide whether to face U.S. authorities or to spend his life on the run.

—By Stephen Koepp. Reported by Bruce van Voorst/New York



196A-1774-165

SERIALIZED <i>JS</i>	FILED <i>JS</i>
JUN 1983	
FBI-NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCL/mag

Marc Rich's \$48 Million Audit

It was an impressive array of federal legal talent. Seated on the dais at the law library of the U.S. attorney's office in Manhattan last week was a team of federal prosecutors and FBI, Treasury and Customs Service agents, all of whom had struggled for 18 months trying to get the goods on reclusive commodities trader Marc Rich. Now they were convinced that they had succeeded. U.S. Attorney Rudolph Giuliani announced that a federal grand jury had indicted Rich, his partner, Pincus Green, and his trading firm, Marc Rich & Co., for evading \$48 million in U.S. income taxes in 1980 and 1981. Later, government lawyers said the cheating might eventually prove to be more than twice that amount. "It is the biggest tax-fraud case ever brought in U.S. history," said Giuliani. The defendants were also

remains out of reach. His company has already been fined \$3.8 million by an American judge for failing to produce all the subpoenaed papers the court wants, and the fines continue to be assessed at the rate of \$50,000 a day. The Feds also say they will try the Rich company in any event and if they win they could seize Rich's U.S. assets, including a 50 percent holding in Twentieth Century-Fox Film Corp., an investment that movie sources say is worth about \$375 million.

'Daisy Chains': Last week's indictment charges that the defendants had parlayed one serious offense into another. It said they began by selling oil at higher prices than they were entitled to under federal controls and then escaped taxes on the profits by

and he approved restraining orders that prevented the transfer of Rich assets and the payment of \$55 million in bills owed the company by others. Rich finally agreed to turn over the subpoenaed documents—but days later federal agents confiscated two steamer trunks full of the papers from a jet headed for Zurich. Rich lawyers said the documents were being sent to Switzerland for a review before being given to the court. The next week, the Swiss government seized other subpoenaed documents from Rich's Zug offices, saying their submission would violate Swiss corporate-secrecy laws.

Giuliani said these records are the "golden nuggets" that would prove that the defendants evaded a total of about \$100 million in taxes. His chief of criminal investigations, Lawrence Pedowitz, said that the Swiss could safely turn over the additional papers because the United States already knew what was in them—through documents already seized. Swiss legal attaché Juerg Leutert refused to buy that argument. "It is up to Swiss authorities to determine whether Swiss law is violated or not," he said. Still, the Swiss said the documents could be turned over in three weeks if the United States would only ask for them formally under the provisions of a U.S.-Swiss mutual-assistance treaty. But the Americans refused, saying that their request could be held up legally for a year or two by third parties named in the papers.

Secrecy: To critics, it seemed like a familiar story of Swiss secrecy laws standing in the way of justice. "I've been involved in a lot of different cases in which the Swiss government has concealed records of drug dealers and income-tax evaders and swindlers," said Giuliani. Many experts agree with Giuliani, pointing out that the Swiss have drawn funds into their country by assuring depositors that their records will be kept secret. But U.S. officials admitted Switzerland has been far more cooperative in recent years. Since a new treaty was signed in 1977, the United States has asked for records needed in cases 250 times and has been turned down only twice. And last year the Swiss agreed for the first time to provide the Securities and Exchange Commission with information in insider-trading cases. "This change in attitude is not cosmetic," says Cass Weiland, chief counsel of the investigations unit of the Senate Government Affairs Committee. "The days of ironclad Swiss secrecy are clearly past."

The Americans now have hopes of completing a new extradition treaty with the Swiss covering tax-fraud cases. But their chances of extraditing Rich and Green rest on their ability to prove some other kind of fraud. A possibility: the alleged daisy chains of fake oil transactions. How the Swiss respond to this particular effort may be a clue to just how far they will go to remove the old barriers.

DAVID PAULY with CONNIE LESLIE in New York and CHRISTOPHER MA in Washington

1979: United States charges a West German citizen with filing fraudulent U.S. tax returns from Switzerland. Swiss decline extradition, but four years later convict defendant of fraud and forgery.

1981: United States court demands documents regarding insider trading during Seagram's unsuccessful bid to buy St. Joe Minerals. Swiss reluctantly comply, but case is still pending.

1982: United States asks Switzerland for information about insider trading during Kuwait's takeover of Santa Fe International. Swiss authorities refuse, but United States resubmits request and awaits further response.

1983: United States indicts Marc Rich for income-tax evasion, charging he transferred profits earned in the United States to Switzerland. Swiss block American efforts to obtain corporate records.



Gamma-Liaison

Slow-motion justice: Marc Rich, the focus of latest U.S.-Swiss dispute

charged with violating U.S. oil-price controls, which ended in 1981, and with buying Iranian oil during the hostage crisis when all trade with Iran was banned.

The Feds will need every bit of firepower in their arsenal to gain a total victory, however. Rich and Green have already denied the charges against them. And the two traders, both American citizens, left the United States for Switzerland in June. If they don't appear for arraignment this week, the United States will begin extradition proceedings, but that process is likely to be a sticky one. The Swiss still do not extradite people charged with tax fraud, and the Americans and the Swiss—who had been working to resolve their many legal differences—are now at odds over U.S. efforts to subpoena the Rich documents still being held in Switzerland.

But Marc Rich stands to lose even if he

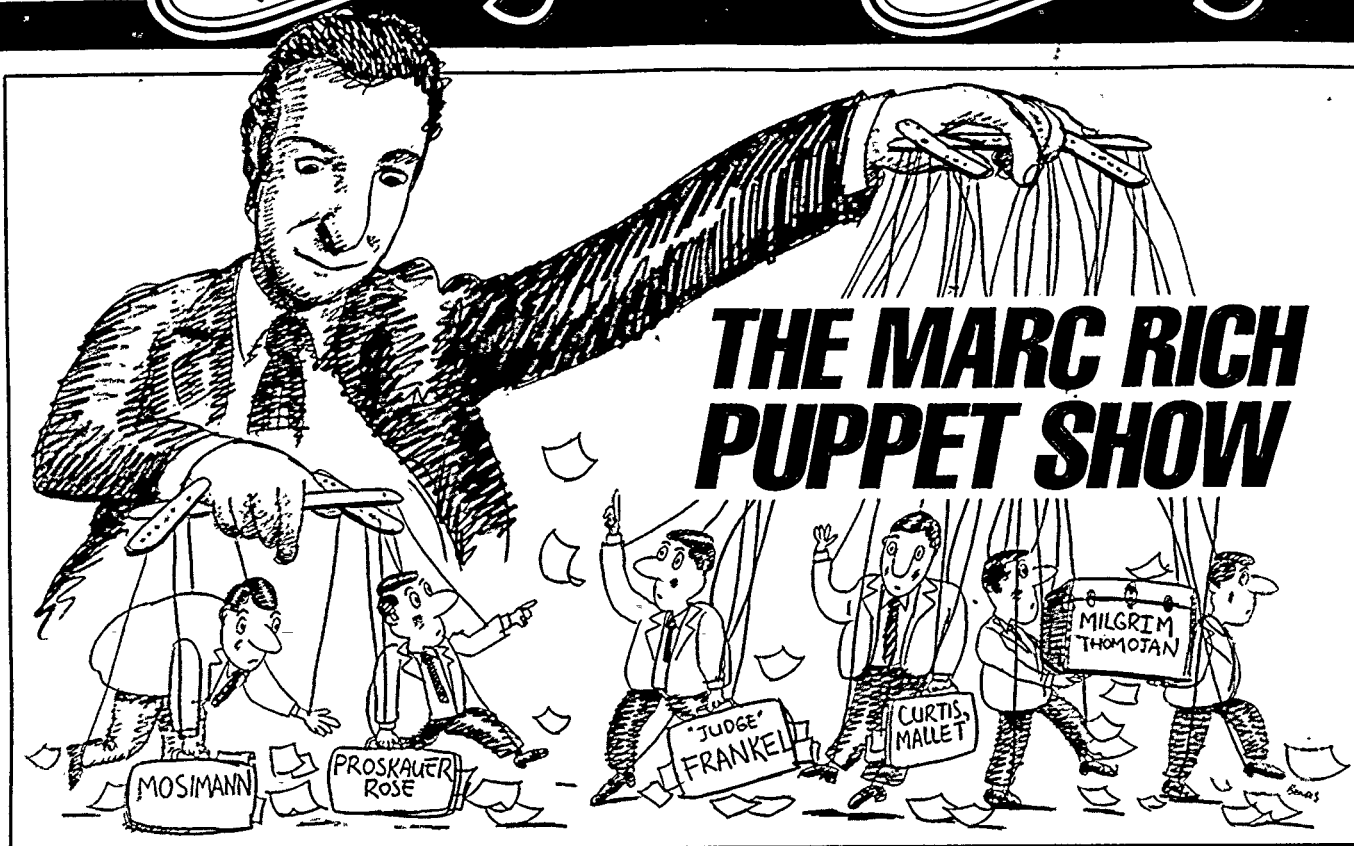
shifting the money to the books of Marc Rich & Co. in Zug, Switzerland. The oil scheme was said to have been pulled off through "daisy chains" of sham sales among Rich and several oil dealers; during the process, certificates covering the oil were allegedly altered to show, falsely, that the oil could be sold at high free-market prices rather than low controlled prices. The indictment said that part of the illegal transfer of money overseas was accomplished through the generation of more than \$33 million in fraudulent tax reductions by fabricating invoices between Rich and its since sold American subsidiary, Marc Rich & Co. International, making it appear that the U.S. firm was losing money.

The Rich investigation had been a plodding one until early August when federal Judge Leonard B. Sand began cracking his whip. He ordered the daily fines to begin

196A-1774/-166

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JLC/mr

133
✓



HEADNOTES BY STEVEN BRILL Once upon a time there lived and worked in New York and Switzerland a commodities trader named Marc Rich. Beginning in 1974, when he left the Philipp Brothers trading company to build what became a multi-billion-dollar commodities dealership bearing his name, Rich became known far and wide for his talent at making money. But when the tax man began inquiring after Rich's money, it soon became clear that he had another rare talent: making very good lawyers look very bad.

Rich, it came to pass, was a kind of Jim Jones of the big-money bar. Something about the shrewd, secretive 49-year-old oil and metals broker mesmerized the likes of former federal district court judge Marvin Frankel, the New York lawyer who is best known from his bench days for his eloquent lecture on over-advocacy to a lawyer who had withheld subpoenaed documents in the Kodak antitrust trial. Under Rich's spell, Frankel and other paragons of the bar seemed willing to do, and argue for, all kinds of ridiculous things in order to protect Rich from a subpoena issued by a federal grand jury investigating an alleged tax-evasion scheme involving transfers of oil trading profits from the Rich subsidiary in New York to his parent company in Switzerland.

In Rich's cause, the lawyers made representations in court about the American subsidiary's willingness and ability to pay contempt-of-court fines—13 days after all of the American assets of the subsidiary had secretly been sold to the non-American principals of the same company. And, in (continued on page 105)

GETTING BACK TO BASICS

The Fifth Annual Summer Associates Survey

SPECIAL PULL-OUT SUPPLEMENT BY JAMES B. STEWART, JR. ► P. 31

Inside The West Empire _____ P.90

West Publishing has spent the last century quietly making itself indispensable and its obscure owner-managers extremely rich. Can they keep it up?

David Schulte, Workout Ace _____ P.97

How a lawyer-turned-investment-banker runs Salomon's corporate emergency room.

War Is Hell. It's Also A Good Defense. _____ P.100

Why 12 jurors swallowed their doubts and bought the Vietnam stress defense.

Stealing The Show In Dallas _____ P.11

Tom Luce has taken Hughes & Hill from 4 to 80 lawyers in a decade. Now he's working on a merger that could make his Dallas upstart the biggest firm in the state.

The Marc Rich Puppet Show

(continued from page 1) his cause, again in court, they then called the sale—a 40-line, two-page agreement involving more than a billion dollars' worth of assets transferred, essentially, to the same parties under a different name—a totally arms-length transaction.

In Rich's cause, the lawyers misrepresented the nature of the Marc Rich companies' operations and control, developing a series of vaudeville-like routines for explaining who ran what that were so inconsistent and so dependent on the argument needed for a particular brief or court colloquy that at times the lawyers themselves had trouble keeping straight faces.

In Rich's cause, the lawyers invoked the state terror campaigns in Bulgaria and Guatemala as examples of what was likely to happen in America if the government's case against Rich went unchecked.

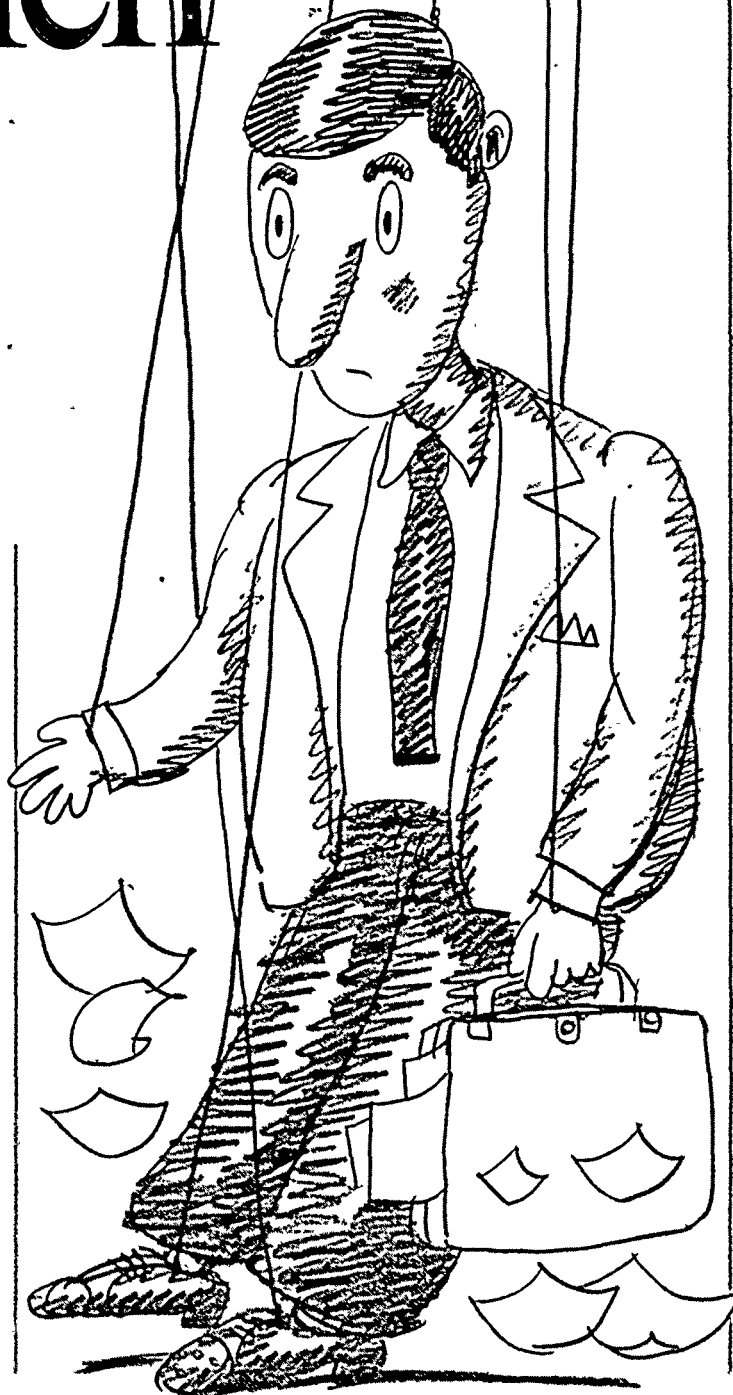
In Rich's cause, the lawyers developed a wonderful new concept: "voluntary" payment of contempt-of-court fines. In his cause, 18 months after the subpoenas had been issued, they secretly tried to send a paralegal off to Switzerland with two steamer trunks full of subpoenaed documents—and then claimed that this had been done to facilitate the speedy delivery of the papers to the grand jury in New York.

And, in Rich's cause, two Swiss lawyers proved that Rich's knack for making lawyers look like puppets is as international as his trading empire. One brought a suit on behalf of Rich personally against Rich's own company, a suit that this lawyer now says was without merit and that he hoped to lose. The sec-

ond Swiss lawyer, counterclaiming on behalf of the Rich company but against its board of directors, of which this lawyer is a member, ended up suing himself.

In early 1982 prosecutors in the United States Attorney's office of the Southern District of New York, working on an informant's tip, began investigating alleged tax evasion by Marc Rich & Co. International Ltd., the New York subsidiary of Swiss-based Marc Rich & Co., AG. According to documents on file in the resulting subpoena litigation, the prosecutors believe, as one government affidavit puts it, that "International diverted during 1980 a minimum of \$20 million of its taxable income to AG" in order to avoid American corporate income taxes. International achieved the alleged tax evasion, prosecutors have claimed, by making a series of crude-oil deals with AG that were designed to make money for AG at International's expense.

Soon after the investigation began, Marc Rich and his principal deputy in the company, Pincus Green, both of whom are New Yorkers (and American citizens), retained Edward Bennett Williams to represent them personally. Marc Rich International, the American subsidiary, also retained Williams and his firm, Washington's Williams & Connolly. Also involved was Robert Thomojan and his small, highly regarded midtown New York firm, Milgrim Thomojan Jacobs & Lee, which counts International among its key clients. As for Marc Rich AG, the Swiss parent



turned to its regular New York counsel, Proskauer Rose Goetz & Mendelsohn, where then-partner Marvin Frankel took the lead.

In the spring of 1982 the subpoenas came, demanding all documents relating to 1980 and 1981 crude-oil transactions between International and AG. The first was served on International in March. According to a Swiss source involved in the Marc Rich defense, when the lawyers told Rich that sooner or later International would have to comply, he demanded that he or two of his top executives review the key documents first. As a result, although this subpoena was never formally resisted, as of this past August (17 months after its issuance), tens of thousands of documents called for under the subpoena had not been produced.

A second subpoena, served in April 1982 and seeking Marc Rich AG's records, was contested from the start. According to three sources in positions to know, Frankel assured Rich and AG secretary Josef Guggenheim that AG could resist because it was a Swiss corporation. Therefore, as long as it could be established that International, the American subsidiary, was independent of AG and made decisions on its own according to its best interests rather than AG's, then AG would not be considered to be doing business in the United States and, thus, would not be subject to *in personam* jurisdiction. (It was a line of argument that Williams, representing the individuals and looking ahead to possible defenses to an indictment, readily appreciated; for if International's independence could be established, then its alleged collusion with AG in a scheme to shift profits overseas would, almost by definition, be disproved.)

"The judge [Frankel] told us we'd have little problem getting rid of the subpoena," says one Marc Rich official. "He had a way of talking that just made you sure he was right."

Rich told Frankel and the Proskauer firm to fight the AG subpoena all out. What he didn't tell them was that he and other Rich company executives were going to give Frankel and his team information about the relationship between the two companies that was inaccurate and utterly inconsistent with what the prosecutors would find in the International documents they would soon gain through their subpoena of International. Moreover, what Rich apparently told none of the lawyers is that in anticipation of Frankel's victory in resisting the AG subpoena, Rich had directed company employees to shift cartons upon cartons of documents that seemingly belonged to International into AG's custody. And on top of that, he had demanded that documents in International's custody be transported to Switzerland, apparently with the thought that Swiss secrecy laws governing disclosure of financial documents might protect these documents (as well as AG's) if all else failed.

There was one problem with Frankel's resistance to the subpoena on the basis of International's independence from AG: the facts. For starters, AG and International had exactly the same shareholders and board of directors. Nonetheless, based on information he got from Rich, chairman of both companies; from AG chief executive officer Alexander Hackel; and from Peter Ryan, International's chief financial officer, as well as on long affidavits from Hackel and Ryan, Frankel argued before federal district judge Leonard Sand that AG's dealings with International were infrequent



MARVIN FRANKEL

BY WITHHOLDING ESSENTIAL INFORMATION, RICH SET FRANKEL UP FOR AN EMBARRASSING COURT APPEARANCE. FRANKEL RESPONDED BY SHYING AWAY FROM HIS CLIENT AND THE CASE.

and insignificant and that the two were wholly separate entities.

For Morris Weinberg, Jr., the 33-year-old assistant U.S. attorney running the Rich case, Frankel's argument was easy game. In oral argument before Judge Sand on July 6, 1982, he demolished Frankel's two-entity scenario with information he had already received in discovery from International itself.

For example, Weinberg noted that in 1980 AG had sold International \$345 million worth of oil and that International had lost more than \$110 million on those purchases. "I think it is significant," Weinberg said, "regardless of what Mr. Frankel says, that those facts were not disclosed in the affidavits of Mr. Hackel and Mr. Ryan. . . . Marc Rich was well aware what records the government had in this investigation," Weinberg continued, "and yet there was an effort to completely ignore 1980, which is one of the two years that was sought in the original grand jury subpoena."

Lawyers associated with Frankel at Proskauer say he was surprised at Weinberg's information. Accordingly, his answer in court that day was a nonanswer. "When you reach back two years or more as the government has done,"

Frankel said, "without meeting our factual showing, I say that the legal position remains the same and I say, whether I am right or wrong, there has never been the kind of trivial and stupid effort to mislead the court that Mr. Weinberg insists on undertaking to detect."

"I listened with . . . bemusement to Mr. Weinberg's charges of deceit . . . which he then explains were revealed . . . by the papers that International produced to the government," Frankel noted, "and I just leave it to the court whether sophisticated people who are indeed related would be engaging in . . . an effort to deceive the court knowing that the adversary . . . was in possession of papers . . . that disclose a misrepresentation."

In fact, the answer to that was one that would plague Frankel and the other Rich lawyers in the months to come. No, Frankel hadn't deliberately deceived anyone. He'd been set up by his client. By adamantly insisting that the various lawyers' functions be kept strictly separate, Rich had enabled Frankel to proceed with his motion to quash without knowing anything about the contradictory evidence that was being discovered from International.

Not that Frankel's advocacy, even at

this stage, was totally ingenuous. He was happy to rely on the affidavit of a Swiss lawyer attesting to the fact that a section of the penal code expressly forbids AG from complying with the subpoena, despite the fact that this affidavit did not refer, even by way of distinguishing it, to another section of the penal code that seemingly allows compliance. And at one point in oral argument, blithely invoking his prestige as a former judge, he asserted that the government's use of an *ex parte* affidavit (describing an informant's information about the two companies' intermingled operations) to defeat the motion to quash the subpoena "was a very extraordinary kind of step to take, one that I, at least, have never seen." He apparently did not expect Judge Sand to respond as he did—that such *ex parte* affidavits, intended to protect the integrity of ongoing investigations, are "quite common," which is in fact the case.

On August 25, 1982, Sand denied Frankel's motion to quash. According to Rich officials, Frankel quickly advised his clients that they had a good chance to win an appeal, advice which even the lawyers at the U.S. Attorney's office agree was not unwarranted, given that the combination of issues and facts involved made the case unique and that Sand's opinion had seemed to apply to a New York State long-arm statute when federal law was clearly relevant.

Frankel appealed to the Second Circuit and got Sand to stay the subpoena pending the outcome. In his appeal he explicitly waived as an issue the supposed prohibition under Swiss law of compliance with the American subpoena. On the Rich side, all the American lawyers considered the Swiss statute—which dealt with disclosures that could be termed "economic espionage"—the kind of throw-in argument that was a sure loser, certainly not worthy of the Second Circuit's consideration. But what they probably didn't know was that Rich and his Swiss lawyers had decided to forego an appeal on the issue so they could revive it later. "Some of the AG people kept talking about it, but, oddly, they told us we need not appeal it," says one lawyer involved in the Rich case. "Later, of course, we saw why."

It took the Second Circuit until May 4, 1983, to uphold Sand's decision, but its ruling was unanimous. (The three-judge panel, however, ditched Sand's long-arm statute in favor of a more logical approach rooted in federal procedural law; even the government had conceded in its appeal brief that Sand's approach had been wrong.)

Frankel quickly applied to the Supreme Court for *certiorari*, again getting Sand to stay the subpoena. But on June 27, 1983, the Supreme Court denied *certi* without dissent. Thus, as the government would later point out, "by June 27, 1983, AG had avoided compliance with the instant grand jury subpoena for more than a year without incurring any sanctions, and had litigated the subpoena's validity through every level of the federal judiciary without persuading a single judge of the merits of its arguments."

The battle was hardly over.

By this time Frankel had quit Proskauer in favor of a more senior partnership, including his name on the door, at the smaller midtown firm of Kramer, Levin, Nessen, Kamin & Frankel. Although publicly Frankel's departure from Proskauer had been amicable enough, such divorces are rarely con-

summed without some hard feeling and tension, and this one was no exception. One of the subjects of intense discussion between Frankel and his former partners reportedly had to do with what would happen with the Rich case. Marc Rich AG was an important Proskauer client, and the firm wanted to keep it that way. It was decided, therefore, that Frankel would continue to be lead man on the case but that the associates who had worked on it at Proskauer—chiefly John Ritchie, a 1979 graduate of Brooklyn Law School—would continue to staff it for him.

On the afternoon of June 27, the day that the Supreme Court denied *cert*, Ritchie, not Frankel, appeared in Sand's robing room seeking a show-cause order aimed at again staying the government's subpoena. His purported grounds for the motion were, to say the least, a surprise to the judge and to prosecutor Weinberg. On May 9, Ritchie explained in an affidavit, Swiss lawyer Bruno Becchio, representing the individuals Marc Rich and Pincus Green, had gone into court in Zug, Switzerland, and sued Marc Rich AG to get AG to comply with the subpoena. Then, on May 10, another lawyer, Rudolf Mosimann, who purportedly represented AG, had counterclaimed and demanded the Swiss equivalent of an injunction forbidding everyone on the AG board, including Mosimann himself, from complying with the American subpoena because, Mosimann maintained, the Swiss "economic espionage" statute forbade the disclosure of information of the type sought by the subpoena. The Swiss court, Ritchie explained, had granted the injunction asked for in the counterclaim. In fact, Becchio, the lawyer representing Rich and Green, had not even replied to Mosimann's counterclaim.

In other words, Marc Rich, having vehemently opposed the subpoena, had now sued the company he controlled to get it to comply, precipitating a counterclaim from the company that went unanswered and resulted in a court order not to comply.

"This is in essence a suit by AG seeking an injunction against itself," an exasperated Weinberg charged at the robing-room session. "It is really a contemptuous act. This is an issue that was litigated almost a year ago in front of Your Honor, that is the [Swiss] penal statute issue. . . . That issue was not preserved on appeal. It was waived. . . . All they're attempting to do is further delay and litigate an issue that has already been litigated. It amounts to nothing more than pure contempt. . . . If this isn't a contrived and concocted piece of litigation, I don't know what is."

The judge asked Ritchie about Weinberg's point that AG wasn't bound by the injunction because, as the moving party, it could easily ask the Swiss court to withdraw it. Ritchie replied, "I cannot speak for sure on Swiss law." Asked how long it would be before the Swiss courts followed up this preliminary injunction with a final decision, he also pleaded ignorance. And, asked why the Swiss government had not intervened in the case if its interests were at stake, Ritchie could only say that he expected it might do so soon. Sand nonetheless agreed to sign Ritchie's order to show cause, delaying the enforcement of the subpoena against AG—but only until a hearing he set for 2:00 P.M. the next day, June 28.

Why hadn't Frankel told the district court or the Supreme Court (where the

cert petition had been pending) of this six-week-old Swiss litigation? And why hadn't he shown up for the hearing in Sand's robing room on June 27?

Frankel declines all comment on the AG litigation, except to explain that he was in Albany trying a case on June 27 and 28 and to note, cryptically, "that I always thought Judge Sand was right about the inapplicability of the Swiss statute." But lawyers close to him report that he did not know about the May 9 and 10 action in Swiss court until after it had been undertaken, a point that Mosimann, AG's key Swiss lawyer (and the man who sued himself), says "is probably true. Why tell him?"

Friends of Frankel's who have talked to him about his case say that although he had been told about the Swiss suit by about the beginning of June, he was upset at not having been told about it beforehand and was sensitive to its flimsy appearance. Having been burned by bad publicity surrounding his avid representation of Michele Sindona when Sindona feigned a kidnapping, Frankel now seemed inclined to shy away from Rich a bit, one friend asserts. On the other hand, according to two Proskauer lawyers involved in Marc Rich matters, Frankel also wanted to hold onto this client; thus, he did not want a Proskauer partner getting involved in the case.

Proskauer litigation head Jacob Imberman, acting as a spokesman for the firm, says he will not comment on the Marc Rich case—including the question of why the 72-partner firm left so much of the matter in the hands of an associate—except to note that Ritchie is considered to be extremely mature and capable.

Whatever the reason, Frankel and the Proskauer firm let Ritchie prepare the show-cause order for submission if and when the Supreme Court denied *cert*, and Frankel decided to stay in Albany rather than seek an adjournment or get substitute counsel for the administrative hearing he was involved in there.

Thus, on June 28, while Frankel re-

WE'VE SPENT TWO YEARS GATHERING THE MOST IN-DEPTH INTELLIGENCE ON THE NATION'S TOP LAW FIRMS.

In 1981, thousands of lawyers turned to *The American Lawyer Guide to Leading Law Firms* for inside information about America's most private sector. *The New York Times* called our first *Guide*, "the most ambitious effort ever to crack the secrecy [of law firms]."

Now we've completed an even more ambitious effort—and one that will last on your shelf twice as long. (We won't publish a new edition until 1985.)

Twice as big. Two volumes. Two-thousand pages. 240 firms in 20 cities.

The 1983-84 edition of *The Guide* covers 68 more firms in 7 more cities than our first *Guide*. Plus all of the profiles have been thoroughly updated and lengthened. In fact, most have been expanded by over 50%.

With *The Guide*, lawyers can readily assess the experience and expertise of opposing counsel or of counsel you might want to retain to assist you in a matter.

The Guide is the only source for comparing the hourly billing rates for firms in the same city or different cities. You'll also gain a clear picture of how firms run themselves and make decisions.

There's even inside information about growth rates; how long it takes to make partner; how partnership shares are determined; where the firms recruit associates, and key cases won and lost.

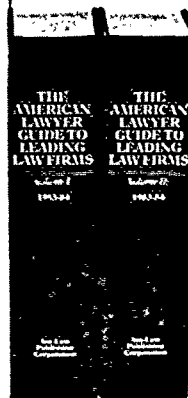
Two indexes. One for lawyers. One for clients.

In addition to a lawyer

index that references all of the thousands of lawyers whose practices we describe, we've provided for the first time anywhere *An Index to Corporate Clients*. It lists thousands of corporate clients across the country and the law firms that do work for them.

Money Back Guarantee.

Order one set for \$475. You are, however, at no risk. If you don't agree that *The Guide* is as valuable as we say it is, we'll give you a full refund if you return it to us in good condition within 30 days of receiving it.



THE 1983-84 AMERICAN LAWYER GUIDE TO LEADING LAW FIRMS.

8309

☐ Please send me one set of THE 1983-84 AMERICAN LAWYER GUIDE TO LEADING LAW FIRMS. ENCLOSED IS PAYMENT OF \$475. (New York residents, please add appropriate sales tax.) I understand that I may return it within thirty days for a full refund if I am not satisfied.

☐ Please send me more information.

Name _____
Firm _____
Address _____
City _____
State _____ Zip _____

Return coupon to: Steven Brill,
Editor and Publisher, The American Lawyer,
205 Lexington Avenue, N.Y., N.Y. 10016

MICRO FILMING and DUPLICATING

Specialists in Large Commercial Litigation

- Rates substantially below your law firm's in-house copying charges
- Can handle any quantity of documents on short notice
- Can arrange for microfilming and duplicating anywhere in the United States
- Blow backs from microfilm
- Free pick-up and delivery in New York City
- No charge for collating, stapling and hole punching
- Services available 7 days a week
- Security and confidentiality guaranteed
- Facilities management

FOR INFORMATION
WITHOUT OBLIGATION

Call or write

**JAMES MURRAY
DOLE DUPLICATING &
MICROFILM SERVICE, INC.**
82 Beaver Street
New York, New York 10005
(212) 363-3333

*Law Firm Placement
Exclusively in*

TAX TRUSTS & ESTATES PENSION

LOUISE L. WOLFSON

Legal Search since 1978

122 East 42nd Street
Suite 1012
New York, NY 10168
(212) 986-4666

maintained in Albany, it was again Ritchie who appeared, with first-year Proskauer associate Susan Brooks, to argue this extraordinary motion before Judge Sand. Ritchie brought with him an affidavit stating that he'd been advised by Swiss counsel that the Swiss court's final decision would not come until September—after its summer vacation. Asked how long the appeal process might take after that, Ritchie said he had no idea. As for whether AG could dissolve the injunction on its own, Ritchie, whose firm has 200 lawyers and a London branch office, said he still didn't know the answer to that one.

Weinberg insisted that AG could get the injunction it had sought dissolved. "In other words," Weinberg reiterated, "the company has filed a lawsuit against itself . . . seeking to enjoin itself from complying with the judge's order. . . . It sounds like Abbott and Costello," he continued, "but I can't explain it any better. If you look at the papers, what has happened is even more ludicrous than that."

Just as Sand was announcing a ruling in Weinberg's favor, the Swiss government arrived—in the person of Arnold & Porter partner Joseph Guttentag and Juerg Leutert, the legal adviser to the Swiss embassy in Washington. Guttentag and Leutert, noting that they had just been informed of the case the week before, asked the judge to delay his decision two weeks so they could "look into the case" to see if it was necessary and possible to work out some kind of a settlement of the issue with American diplomatic authorities.

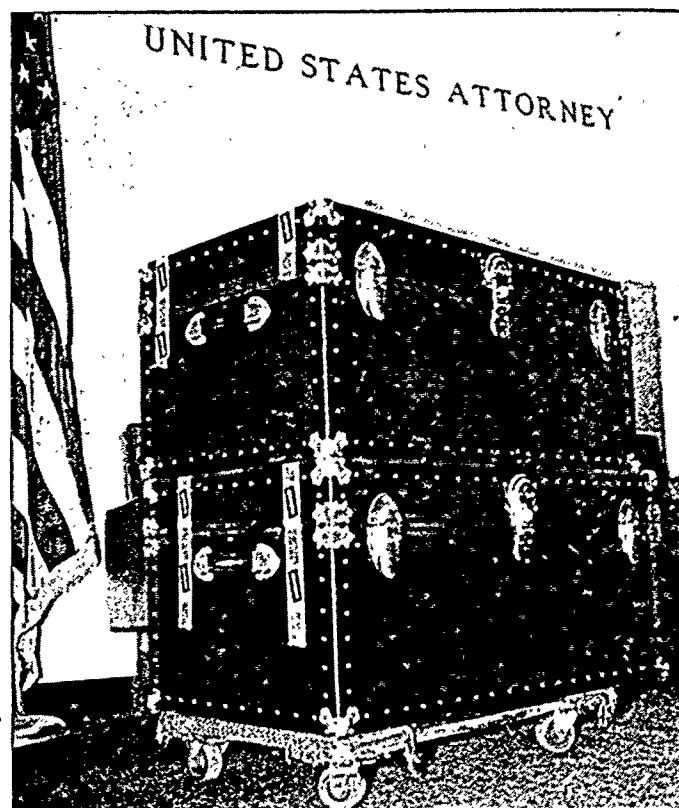
Sand asked each if they knew whether AG could obviate the supposed conflict of laws by getting the injunction withdrawn. Both Guttentag and the embassy lawyer said they were not familiar with what this reporter later found to be a simple procedural point of Swiss law.

Expressing skepticism at their vague plea for a delay, Sand ruled against AG and ordered that the \$50,000-per-day fine he had set for noncompliance begin at the end of the next day if the subpoenaed documents were not delivered.

In fact, not even Weinberg knew fully how ludicrous the Swiss suit was. Klaus Weber, the Swiss cantonal court judge who issued the injunction, says he was "embarrassed by it. Here were people suing themselves. But in a motion like this you would have to go ahead until the other side contests it. . . . Of course it can be lifted," he adds. "You just ask." Or, as Weinberg found in preparing a defense of Frankel's subsequent appeal of Sand's final order, the moving side can simply not pay the court costs assessed in the order; if it doesn't pay on time, the order automatically lapses.

Bruno Becchio, the Zug lawyer retained by Rich and Green to sue their company, says, "I thought I should lose and hoped that I would. This was done so that the Swiss statute [purportedly prohibiting compliance] would be enforced. I think that is a very important law, even if you Americans don't," adds the lawyer who filed papers seeking to have the law set aside. And Becchio's "opponent" in the case, Mosimann, notes that he could, indeed, have gotten the order lifted had he wanted to.

After Sand issued his June 29 order holding AG in contempt, Frankel, now back from Albany and seemingly recharged for battle, filed another notice of appeal to the Second Circuit, this time based on the Swiss injunction. Meantime the \$50,000-a-day contempt fine began to toll, but AG didn't pay. Ac-



**AN ANONYMOUS TIPSTER FOILED RICH'S
ATTEMPT TO SEND THESE CRATES OF
DOCUMENTS TO AG'S SWISS HEADQUARTERS.**

cording to court papers, on July 6 Weinberg called Frankel and asked if AG was going to pay the fine. Frankel replied, "We won't be able to tell you until Monday." On Monday, July 11, Ritchie was given the task of calling Weinberg to tell him that "AG does not intend to pay the fines voluntarily."

On July 13 Weinberg moved for a separate order directing AG to pay the \$750,000 in fines already due. Although he had not sought a stay pending his new appeal, Frankel now argued that Sand lacked jurisdiction to levy the fine until this appeal was decided. He also argued that the government's push to have the fines paid immediately was contentious and unnecessary, saying, "the proposed urgency of having a judgment come in at this time is not visible to me at all." On July 15 Sand responded, directing payment of \$1 million by July 18 and \$200,000 and \$150,000 each Friday and Monday thereafter.

But a week later, at a hastily convened hearing on July 22, Weinberg was back in court with what he called a "startling" discovery: On June 30, the day after Sand's contempt order had taken effect and 13 days prior to Frankel's protestation that there was no urgency in enforcing the contempt judgment, AG had sold International—its sole U.S. asset—to a group of its own European shareholders, who were now calling themselves Clarendon, Ltd. "As we understand it," Weinberg excitedly told Sand, "not only has this only [AG] asset in the United States been liquidated but . . . the purpose of the liquidation . . . was to avoid the confiscation of assets to satisfy this contempt judgment. . . . Marc Rich and Pincus Green, who for the last number of years have been based in New York and have

been running . . . the operations of Marc Rich International, are not employees of this new company," Weinberg noted. "[T]hey are in Switzerland and are running Marc Rich AG."

"Now, we believe," Weinberg continued, "that there has been in addition to this Swiss litigation, [which] on its face was utterly contrived and concocted . . . a much more egregious deception . . . on this court [and] on the Court of Appeals, because no disclosure [of this sale] has been made to them even though the appellants have recently filed their briefs. . . ."

Predictably perhaps, Ritchie, not Frankel (who had just left for a five-week vacation in Italy), was in court to respond. He glumly told Sand that he, too, hadn't known of the sale until the day before—three weeks after it had occurred. (Frankel, without being specific, says, "Anything I knew in this case after I left Proskauer was limited to what Proskauer's lawyers were told.")

Sand responded that "in light of the fact that the principals of these entities have chosen not to reveal to their counsel in this proceeding the very significant facts and developments," he would sign Weinberg's proposed order serving restraining notices on various banks doing business with any Rich-related entity (including the new one, Clarendon) preventing any further liquidation of assets by any of these entities by requiring each bank to preserve for the government's possible confiscation millions of dollars of any monies owed to any Rich entity.

In fact, no American lawyer had known about the sale of International to Clarendon; the deal was consummated on two typewritten pages for 50 million Swiss francs and an undetermined balance to be paid to AG five years later.

RICHARD SANDLER/THE NEW YORK TIMES

But there would be lots of lawyers—from Williams & Connolly to Clarendon's new "separate" counsel, a team from New York's Curtis, Mallet-Prevost, Colt & Mosle—who would soon be ready and willing to call it a bona fide sale to a separate entity.

Sand's restraining notice against the American banks that do business with International/Clarendon was the first real blood Weinberg drew. It quickly took its toll. Rich and his cohorts might have engineered the Clarendon "sale" to free the lucrative Marc Rich American operation from the legal cloud placed over it by AG's defiance of the subpoena, but their gambit had triggered a reaction that had just the opposite effect. Commodities trading works on lines of credit and the fast, free flow of funds. Now, thanks to Sand's orders, all of that had been gummed up. Some banks even refused to dip into their Marc Rich International—now Clarendon—accounts at all.

On July 28, AG—now represented by junior Proskauer partner Bruce Fader as well as by Ritchie and first-year associate Brooks (Frankel was still vacationing)—and Clarendon, represented by Curtis, Mallet's Eliot Lauer, appeared with Weinberg and Carolyn Simpson, another assistant U.S. attorney, before Judge Sand. Fader carried a check for \$1,350,000, the amount of the fine then due. He offered it to the judge, along with a promise to bond AG for another \$1 million in fines, the amount likely to toll before the Second Circuit acted on the new appeal. In return, he and Curtis, Mallet's Lauer—who maintained, with a straight face, that Clarendon really wasn't a party to any of these proceedings and should therefore not be victimized by the bank restraints—wanted the restraints lifted. Sand, hearing Simpson's objection that the government had no assurance that future fines would be paid, refused.

By August 1, lawyers for AG and Clarendon had begun negotiating with Weinberg, Simpson, and their two supervisors, major crimes unit chief Jane Parver and criminal division head Lawrence Pedowitz. After five days and nights of talks—between these four government lawyers, Fader and the others from Proskauer, and a crew from Curtis, Mallet led by Peter Fleming Jr.—a deal was struck on Friday night, August 5. AG would agree to drop all of its appeals, including the one in the Second Circuit tied to the Swiss court action, and deliver all the AG subpoenaed documents by August 19. In addition, AG would pay fines through August 19; in short, it agreed to pay \$700,000 for two weeks' more time to comply with the 17-month-old subpoena—a point that probably should have made the government lawyers worry that there was more to come in this saga.

In return, the government would immediately lift its restraining order against the banks doing business with International/Clarendon but would execute attachments and mortgages against various Clarendon and Marc Rich-related properties in the U.S. worth \$55 million, including 20th Century-Fox, the movie studio that one of Rich's personally owned companies had bought in concert with millionaire Marvin Davis. The attachments had been drawn up chiefly by Pedowitz, a former partner at the New York takeover-fighting firm of Wachtell, Lipton, Rosen & Katz, for whom all-night negotiations aimed at locking up or transferring corporate assets are second nature.

At a Monday morning press conference called to explain the deal, U.S. Attorney Rudolph Giuliani called it "totally one-sided." Yet it did allow International/Clarendon to resume business as usual. Thus, Peter Ryan, AG's chief financial officer (who became Clarendon's chief financial officer after the sale), offered reporters this unsentimental explanation of his company's decision to obey the law: "They [AG] have now concluded it is in their interest, from a financial and reputational point of view, to comply."

Indeed, the agreement preserved AG's major U.S. asset, International/Clarendon, by freeing it to continue to do business. But this was something the prosecutors wanted, too; they are contemplating RICO as well as tax-evasion indictments against the Marc Rich companies. Had they driven Clarendon out of business, they'd have nothing to recover under RICO.

The story seemed to have ended on August 5 with the negotiated agreement. But on Monday evening, August 8, the government received word that a paralegal from Milgrim Thomojan, the small, prestigious New York firm supposedly coordinating International's subpoena compliance, had boarded a jet at Kennedy Airport with two steamer trunks full of subpoenaed documents. The tip to the government reportedly came indirectly from an employee at Milgrim Thomojan who, knowing of the Marc Rich controversy, saw the documents being crated, heard of the paralegal's mission, and became concerned that something illegal was afoot. At the direction of U.S. Attorney Giuliani, customs agents stopped the plane, served a search warrant on the paralegal, and confiscated the trunks.

In Judge Sand's chambers and in court hearings the next two mornings, Curtis, Mallet's Fleming carefully preserved the legal fiction by noting that he was standing in for Edward Bennett Williams as a representative of International and was not there in his capacity as Clarendon's lawyer. He explained that however bad it looked, it was "all innocent": Robert Thomojan of Milgrim Thomojan had been in Zug coordinating AG's compliance with its subpoena but, because he was also responsible for International's compliance, he had asked that the crates of International documents be shipped to him for review for attorney-client privilege prior to their being produced in New York.

Why could only one lawyer, Thomojan, look through all these documents—which were mostly oil-trade invoices—for a simple and unlikely attorney-client privilege problem? Why couldn't other lawyers at Thomojan's firm or Williams & Connolly do it? Why was the review of International documents only now taking place, when that subpoena, issued 17 months earlier, had never been contested? And how, if AG and International had been separate entities, could they have the same lawyer doing the subpoena compliance review for both companies?

The evening after the second steamer-trunk hearing, Milgrim Thomojan partner Robert Meister, who had appeared on his firm's behalf with Fleming at the first hearing but whose firm had then been dismissed from the case at the insistence of the U.S. Attorney's office, explained to me, incredibly, that "everyone knows that Clarendon and International are really one and the same."

CAN YOU ANSWER THESE QUESTIONS?

What are the basic rules of thumb for rent, support staff, and other overhead expenses?

What's the best way to measure your partners' productivity—and pay them for it?

For the answers to these and many other crucial questions on law firm management attend The American Lawyer Institute on Law Firm Management and Planning. See pp. 4-5.

Kevin Grehan, Marilyn Hoey, Robert Banse, Daniel Neff, Basil Kelsey, Frank Battle, Warren Wimer, Alan Feld, Stanley Farrar, Neil Tucker, James Durkin, Eileen Leahy, Enid Rubenstein, Anne Verdon, William Wurtz, Joshua Bogin, Peter Tufo, Anita Barrett, Gary Mucci, Charles Ryan, Allen Kam, David Lofgren, Everett Clary.

ONLY THE AMERICAN LAWYER WRITES ABOUT THEIR BIG DEALS AND BIG SUITS. SUBSCRIBE NOW. SEE SUBSCRIPTION CARD PAGE 18.

**LEONARD, DWYER &
MAURICE, INC.**
ECONOMISTS AND MANAGEMENT
CONSULTANTS

SERVICES

VALUATION AND DAMAGE STUDIES
RESEARCH AND ANALYSIS TO ASSESS
ECONOMIC THEORIES OF LIABILITY
RESEARCH AND ANALYSIS TO ASSESS
ECONOMIC IMPACTS OF REGULATION
AND LEGISLATION
EXPERT TESTIMONY

EXPERIENCE

CIVIL ANTITRUST LITIGATION
COMMERCIAL LITIGATION
WRONGFUL DEATH, PERSONAL INJURY
AND NEGLIGENCE CLAIMS
LEGISLATIVE HEARINGS
REGULATORY PROCEEDINGS

1630 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20009
TELEPHONE: (202) 332-8484

CONTACT JAMES R. LEONARD
TO INQUIRE ABOUT PROFESSIONAL
CREDENTIALS AND LAW FIRM REFERENCES

Deputy General Counsel, GS-905-16/17,
\$56,945 per year starting; Excepted Ser-
vice Federal Agency; Washington, D.C.

Must: Provide administrative and
managerial assistance for the
General Counsel's Office;
Apply extensive legal experience
to various fields of law;
Represent FEC in court pro-
ceedings;
Assist in the development and
overall administration of
Federal Election Laws;
Have excellent oral and written
skills.

Submit SF 171 and writing sample under
No. 83-050 to FEC, 1325 K Street, N.W.,
Washington, D.C. 20463 on or before
10/3/83.

and that Thomojan, contrary to what Fleming had asserted and contrary to what everyone still involved in the case maintains, had "not done any work for AG." If so, why was he in Switzerland since, after all, International and Clarendon are New York companies? Meister declined comment, as did lawyers at Proskauer and officials at Marc Rich. Frankel was still vacationing and did not appear at the subsequent hearings.

But the judge seemed convinced that something was wrong. On Wednesday, August 10, two days after the steamer trunks had been intercepted on the Kennedy runway, he readily acceded to a government motion, made by major crimes unit chief Parver, that all International documents be delivered by the following Monday, ignoring persistent pleas by Fleming and by Williams & Connolly's Richard Cooper, that the necessary photocopying would take ten days.

"I know it looks terrible," said Clarendon president Willy Strothotte of the steamer-trunk episode in an interview the next day. "But it's just that Mr. Thomojan thought he would do two things at once. I had no idea he was having the documents shipped. It was foolish of him."

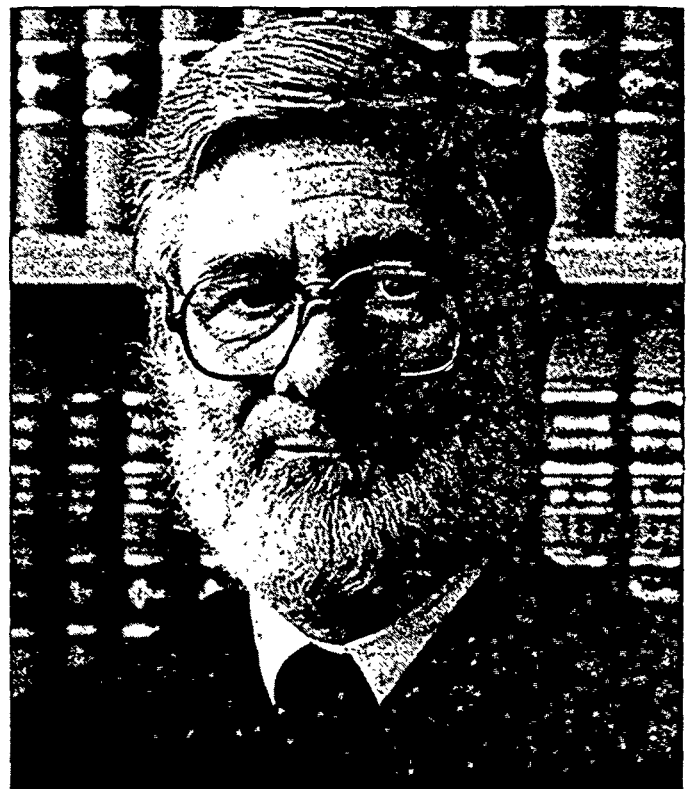
Yet a source at Marc Rich AG in Switzerland says that there had been several shipments of International documents to Switzerland before this. It was done, this source says, "at Mr. Rich's insistence. He wanted his people over there to review the documents . . . where he thought they would be immune from American sanctions if they don't give them up or if they lost some of them."

"Rich also kept promising," the source adds, "that if all this failed it might be possible to get the Swiss officials to intercede and seize the documents in order to keep them secret." This same source says that Thomojan had traveled to Switzerland "to convince the Swiss AG people to be forthcoming, because the federal investigation will be able to spot [gaps] in [the documents produced] anyway." Thomojan declines all comment.

Whatever Rich's reasoning, on August 12 officials of the Swiss federal prosecutor's office did in fact seize hundreds of pages of supposed AG documents at the AG office in Zug. At a hearing the next Monday morning, Sand—clearly boiling over at all that had happened—questioned whether the "steamer-trunk caper," as he called it, had been a deliberate attempt to get documents back to Switzerland where they, too, might be seized. Weinberg agreed, adding he wanted Sand to request Rich and Green to appear personally to explain what was being produced and what had been seized.

"As Your Honor had said before," Weinberg added, "and we will reiterate, there are some very good and honorable law firms involved in this litigation, and in no way does anything that the government says now reflect on the integrity of those law firms, but under all of the circumstances, the government is requesting that the individuals that are in control and in charge of these companies be required to appear personally. . . ."

On the heels of all the disastrous publicity the case was getting, AG's lawyers now suddenly included Proskauer partners Morton Maneker, Gerald Silbert, and Jeffrey Mishkin, but not Ritchie. They were reportedly deployed because Rich had complained about Frankel's absence and the absence of any Proskauer partner to replace him at the highly



JUDGE LEONARD SAND

**WHEN SAND REALIZED THAT
RICH HADN'T EVEN INFORMED
HIS OWN COUNSEL OF THE SALE
OF HIS AMERICAN SUBSIDIARY,
THE JUDGE ORDERED U.S. BANKS
TO HOLD ON TO MILLIONS OF
DOLLARS OF RICH ASSETS. IT
WAS THE FIRST REAL BLOOD
THAT THE GOVERNMENT DREW.**

charged proceedings. Also, Proskauer litigation chief Imberman is said by one of his partners to have wanted the partners involved as a damage-control measure aimed at salvaging the firm's reputation.

Sand pushed lawyers for AG for assurances that 100 percent of the documents would be delivered on August 19, as had been agreed. Maneker, citing the seizure of some of the documents, said this couldn't be guaranteed anymore.

Noting that the man who had answered for AG when the Swiss officials had arrived to seize the AG documents was Alec Hackel—whom the court had been told was the new president of Clarendon and had nothing to do with AG—Weinberg renewed all the questions about legitimacy of the entire AG/International/Clarendon separation. He then voiced his suspicion about which AG documents had been seized, as compared to what Maneker said were the 200,000 already shipped to the U.S.:

"... [T]hese are the reasons . . . that the government has asked and hopefully the court will order the individuals,

Mr. Rich, Mr. Green, and Mr. Hackel to be present and accountable in the United States before this court to clarify what it is that has actually gone on over there and what is the status of compliance, whether it's ninety-nine or a hundred percent, whatever it is, because the government demands a hundred percent compliance in this case with these outstanding grand jury subpoenas. Certainly we can't rely on representations that these documents were at the bottom of the pile. They may well be golden nuggets that were left behind in Switzerland. It has certainly crossed the government's mind that we would work a swap. We would swap the ninety-nine percent for the one percent that was left," he concluded.

Sand, obviously angry, set a hearing for August 22 to cover the issues of what documents had been seized and whether AG had violated its August 5 agreement. He even threw in the question of whether the International sale to Clarendon was legitimate, which at this point was irrelevant.

By now the Swiss government had

taken a position thoroughly in support of Rich's noncompliance. Swiss embassy adviser Leutert, who had told me a week before that his government's interest was "vague" and "passive," now told the press that the U.S. could only get the AG documents through a negotiated arrangement consistent with a treaty that had been ratified several months after the subpoena had been issued and which seemingly had nothing to do with documents of the kind being sought. And in Switzerland, the prosecutor's office and diplomatic officials were telling Americans representing the State and Justice Departments that the espionage statute—which even Leutert had conceded to me in an August 15 interview didn't apply—was the operative law in this case, and that, therefore, the production of the documents was prohibited.

Why, then, didn't the Swiss seize all the documents? Why had they waited and taken only a fraction? And who had divided up the documents, determining which ones were left and which were shipped? Were they merely the ones at the bottom of the pile, as the Proskauer lawyers had claimed? And, more generally, why had the Swiss changed their tune so suddenly?

These and other questions were not answered on August 22, because the U.S. Attorney's office and Marc Rich's American lawyers agreed on August 18 to postpone the hearing until September 19 (which follows our press date), with Rich delivering \$50,000 in fines for each day of the new delay up to September 12. "We just felt that if we had that hearing, everything would be so acrimonious that the Swiss would dig in and we'd never see those documents," says one Justice Department official. "Those were the signals we got."

One signal the prosecutors didn't get until after they had postponed the hearing was that Rich had a special connection to the Swiss authorities: Mosimann—the Marc Rich AG lawyer who sued himself in the injunction proceeding—is also the part-time public prosecutor of the canton of Zug. Says a key Justice Department source: "We got a tip from a European journalist about Mosimann's being a prosecutor, but it was after we agreed to postpone the hearing. Hearing or not, I'd say it looks doubtful that we'll ever see those documents, or at least all of them."

"I know this may look bad to you Americans," says Mosimann, "but it's totally innocent. . . . It was the federal prosecutor in Berne who ordered the documents seized, not we in Zug." Had he had any contact with the federal prosecutor? "Everybody wants to know that," Mosimann says. "But I can tell you that I had no direct contact. But even if you have contact with people it is not possible to deal in the sense that you suggest by your question. This would not be easy to arrange. . . . We are not a republic of bandits."

Forgotten in the frenzy of the negotiated settlement, the steamer-trunk caper, and the Swiss document seizure was the Second Circuit appeal. Scheduled to be argued on August 9—Frankel says he'd have returned from Italy for that session—the case was dropped after the settlement. Yet the appeal briefs on each side remain good reading.

Indeed, Frankel's argument in his July 18 brief (that the Swiss injunction against compliance with the American subpoena tied Marc Rich's hands) makes even better reading in light of AG's purported capitulation to the subpoena on August 5. If, as Frankel wrote,

the Swiss government had now "spoken" and enjoined the compliance and if the injunction could not be withdrawn by AG, how could Marc Rich lawyers have made that August 5 deal to comply with the subpoena? It turns out that on July 22—unknown to the federal authorities (who were negotiating on the basis that AG had at least a prima facie claim pending in the court of appeals based on the Swiss court action) and unknown to the district or appellate courts—Swiss judge Weber, who apparently had not gone on vacation, had rendered his final decision in the case and declared that since the AG board had itself voted, before the Swiss litigation had been initiated, not to comply with the subpoena, there was no need for his court order. "I decided that the whole thing was silly and unnecessary. It made the court look bad," said the judge in an August 12 interview. "Yes, they could easily have gotten my order lifted, too," he added. "Just by asking me."

Was this July 22 Swiss court decision another case of the lawyers withholding vital information from Judge Sand and their adversaries? Yes and no. The information had been withheld, but from the lawyers as well. "Why should we tell them [the American lawyers] that," asks Mosimann. "They had their job to do, and we had ours."

"You could say that the coordination of the lawyers in this office has not been the best," notes Strothotte, the Clarendon president.

When Frankel notified Weinberg in July that his client was again appealing to the Second Circuit, this time based on the supposed Swiss injunction, Weinberg's preliminary reaction was to file a motion calling the appeal "utterly frivolous" and demanding double attorneys' fees against AG and its counsel.

Frankel's subsequent appeal brief was 46 pages long. He spent 11 pages on an introduction and statement of facts and 14½ pages invoking the supposed Swiss prohibition. But he reserved his heaviest artillery, 17 pages, to rebut Weinberg's demand for double attorneys' fees to punish the former judge's supposedly frivolous appeal. And in these 17 pages we see Frankel trying to have it both ways—trying to seem to put on a case for his client while also hinting to the court and to other sophisticated observers his disdain for the position he'd found himself in. "This was obviously Marvin's 'fuck you' brief to Marc Rich," says one lawyer who knows Frankel well.

Frankel spent not a word of his 17 pages arguing against imposition of attorneys' fees against his client; he only defended himself. And he offered a long discussion of how the judge ought to decide the issue if he assumed that Frankel had thought the appeal unmeritorious and had argued to his client against making it.

In his reply, Weinberg dispensed with this and other Frankel chops at his client in a footnote: "The intimation that counsel advised against filing this appeal, dissuaded AG from seeking a further stay, and were not advised by AG of its effort to shelter its American assets, to the extent that they argue against assessment of damages against counsel, emphasizes all the more AG's lack of good faith."

Frankel concluded his appeal brief as follows: "While this is a time to eschew exaggeration (of which there is already too much on this appeal), the prosecutor's effort to penalize counsel as a means of controlling the client inevita-

bly brings to mind painful analogies elsewhere in the world. A favored device of the executive in countries where human rights are not cherished is to punish or frighten lawyers defending causes the prosecutors deem hateful. The obvious purpose, too often successful in our time, is to suppress or control an inconveniently independent bar. Free nations and people who want to be free rightly condemn that sort of state terrorism. Considering the interests at stake, it is not too much to say that a righteous, intemperate prosecutor is now proposing to this court a first step in that direction. The proposal should be rejected in con-dign terms."

Frankel, a leader in the New York bar's human rights activities abroad, footnoted this paragraph with references to State Department reports concerning human rights violations in Bulgaria, Guatemala, and six other countries.

Weinberg limited his reply on this point to another footnote: "AG's comparison of the government's motion to the police-state tactics of the Bulgarian Commissars and Guatemalan Colonels" he wrote, "says far more about counsel's sense of proportion than about the state of civil liberties in the United States."

It could be said, of course, that all Marc Rich lawyers in this case lost their sense of proportion, that they all went too far. But the American contingent at least might argue that they simply got stuck serving a difficult client who wouldn't level with them, and that they could prove that point convincingly if only they could reveal what they told the client to do and not to do.

Yet these lawyers did have another option. They could easily, and ethically, have resigned from Rich's employ—when he brought the absurd Swiss action, when he sold off the International assets (in both instances without telling his American lawyers), when he refused to pay the fines, or, as now seems likely, when he made sure documents were shipped to Switzerland to be "seized" by the Swiss authorities, with whom AG's own lawyer is connected. At any of these points, and probably at others, the lawyers could have decided to opt out of what seems to be their client's anything-goes approach to the American legal process.

A top Rich executive says his company has recently sounded out former U.S. attorney Robert Fiske, Jr., of Davis Polk & Wardwell and former federal district judge Harold Tyler, Jr., of New York's Patterson, Belknap, Webb & Tyler about taking over the representation of AG because, he says, "we want someone new, with a totally clean image." Both lawyers, however, turned the case down. Tyler notes Rich had "called me two or three times from Zug," but says he bowed out because of other commitments.

These renewed efforts to shore up the Rich legal team notwithstanding, some prosecutors involved in the case speculate that Rich has now decided to abandon the U.S. altogether in order to avoid prosecution; he is probably not extraditable from Switzerland on tax charges. But if the case goes on, there are likely to be more acts in what has become the Marc Rich puppet show. It's only a question of which of Rich's lawyers, present or future, having seen his disregard for the legal process and for the officers of the court sworn to uphold its integrity, will regain their sense of proportion—and decide to cut the strings. □

"Excellence Demands Excellence"

TOWN HOUSE COACH SERVICE

- Late Model Stretches
- Open Bar
- VCR with Large Tape Library
- Sunroof
- Mobile Telephone
- Smartly Attired Male or Female Chauffeurs
- High Insurance Coverage
- Armed Security Service

(212) 531-7900

Major C.C.'s Accepted

For Business or Personal Travel

Corporate Accounts are our Specialty

NRI[®] LEGAL

SPECIALISTS IN LEGAL SEARCH

When you're seeking the right person to join your firm, turn to us for confidential and results-oriented search and recruitment services.

Our two divisions specialize in the search, recruitment and placement of:

- Attorneys — from Associate to Partner
- Administrative Staff — from Office Manager to Legal Administrator

for further information, contact:

NRI LEGAL
2000 L Street, N. W., #607
Washington, D.C. 20036
(202) 466-4679

Pat L. Wilson
Bonnie C. Wilson
Gary Ethan Klein, Esq.

 **NRI[®]**
Recruitment and
Placement Consultants

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/29/83

20

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

BT

UNCLAS

ATTENTION: [REDACTED] FINANCIAL CRIMES.

MARC RICH; PINCUS GREENE; [REDACTED] MARC RICH AND CO.,
 A.G.; MARC RICH CO. INTERNATIONAL, LTD., AKA "CLARENDON, A.G.";
 RICO; FBW; MF; TAX EVASION (OO: NY).

PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ ADVISED OF
 DEVELOPMENTS OF CAPTIONED.

ON SEPTEMBER 29, 1983, AN ARRAIGNMENT BEFORE VINCENT L.
 BROADERACK, [REDACTED] MARC RICH AND CO., A.G. AND MARC
 RICH AND CO., INTERNATIONAL PLEAD NOT GUILTY. MARC RICH AND
 PINCUS GREENE WERE NOT PRESENT AND, ACCORDINGLY, ARE CONSIDERED
 FUGITIVES. JUDGE KRAM WAS ASSIGNED TO THE CRIMINAL PROCEEDING.
 FBIHQ WILL BE KEPT ADVISED.

BT

1 - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP57E/may

b6
b7Cb6
b7CApproved: L/ur

Transmitted

(Number)

(Time)

Per HR

196A-1774-167

b6
b7C

[REDACTED] 3

NY0664 2722330

PP HQ

DE NY 020

P 292030Z SEP 83 FM NEW YORK (16A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

BT

UNCLAS

ATTENTION: [REDACTED] FINANCIAL CRIMES.

MARC RICH - FUGITIVE; PINCUS GREENE - FITIVE; [REDACTED]

MARC RICH AND CO., A.G.; M ARC RICH CO. INTERNATIONAL, LTD., AKA
"CLARENDON, A.G."; RICO; FBW; MF; TAX EVASION (OO:NY).

b6
b7C

PURPO SE OF THIS COMMUNICATION IS TO KEEP FBIHQ ADVISED OF
DEVELOPMENTS OF CAPTIONED.

ON SEPTEMBER WON QO IEN AN ARRAIGNMENT BEFORE VINCENT L.
BROADERACK , [REDACTED] MARC RICH AND CO., A.G. AND MARC
RICH AND CO., INTERNATIONAL PLEAD NOT GUILTY. MARC RICH AND
PINCUS GREENE WERE NOT PRESENT AND, ACCORDINGLY, ARE CONSIDERED
FUGITIVES. JUDGE CRAM WAS ASSIGNED TO THE CRIMINAL PROCEEDING.
FBIHQ WILL BE KEPT ADVISED.

FD-65 TO BE SUBMITTED SEPARATELY.

BT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JG/may

b6
b7C

196A-1774-167

ff ff

[REDACTED] B

Fortune October 17, 1983

196A-1774-169

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5-JC/may

SEARCHED	INDEXED
SERIALIZED <i>jt</i>	FILED <i>jt</i>
OCT 3 1983	
FBI-NEW YORK	

LOPPED OFF

Sumitomo's deal with Dunlop

■ A new deal between Sumitomo Rubber Industries and ailing Dunlop Holdings PLC represents the biggest Japanese investment in the U.K. since Sony started making TV sets there in 1977. For \$123 million, Sumitomo (1982 sales: \$811 million) is buying Dunlop's British and West German tire operations. As part of the package Sumitomo also gets back the 40% of its stock Dunlop acquired 20 years ago when Sumitomo bought Dunlop's tire company in Japan. Last year Dunlop's U.K. tire business lost \$23 million, and the West German operation broke even. Sumitomo thinks it can improve them.

By dumping a portion of its deflating tire business, Dunlop, which makes everything from tennis rackets to pipes for drilling oil, hopes to improve its game. Last year it lost \$140 million on sales of \$2.7 billion.

Marc Rich, 1976 (top);
Assistant U.S.
Attorney Morris
Weinberg Jr. at New
York City's federal
courthouse



CRUDE DEALINGS

Marc Rich is indicted

■ In the largest tax evasion case ever brought by the U.S. government, Marc Rich and his partner Pincus Green, both 49, were indicted on charges of concealing more than \$100 million in income, on which \$48 million of taxes should have been paid. Also indicted was Swiss-based Marc Rich & Co. AG, the giant commodities firm in which the two were principals. The indictment charges that profits from the U.S. subsidiary of Marc Rich & Co. AG were diverted to two Texas companies and then, through "sham transac-

tions," to the Swiss parent. According to Morris Weinberg Jr., 33, the assistant U.S. attorney leading the investigation, documents subpoenaed from the Swiss firm—but not delivered, on orders of the Swiss government—may reveal that the parent siphoned from the U.S. subsidiary another \$100 million. Rich and Green are also charged with trading with the enemy, chiefly by buying Iranian crude in violation of a ban imposed while Americans were held hostage.

If found guilty, Rich and Green could be jailed for life. In recent months they have been living in Switzerland, which does not extradite people for tax evasion. The two could be extradited, however, for other offenses. If Rich and Green won't come to court, says Weinberg, the government will try their companies, and if they are found guilty, seize their U.S. assets. Among them: a 50% holding in TCF Holdings, which owns 20th Century-Fox Film Corp. Fox, or somebody, would be smart to seize the rights to this whole saga.

SPECIAL DELIVERY

MCI's electronic mail service

■ Now MCI Communications Corp. wants to be your postman. The upstart that took on AT&T to win long-distance telephone customers is aiming at the U.S. Postal Service as well as the market created by speedier mail deliverers, such as Federal Express, and the burgeoning market in electronic mail.

Anyone with a computer terminal, telex, electronic typewriter, or word processor can send messages through MCI's new network, provided the user also has a modem—the gadget that hooks electronic devices into telephone lines. Recipients pay MCI nothing, and senders pay no fees other than "MCI postage," computed by the "MCI ounce": 7,500 characters, or roughly four pages of text. If the recipient has a terminal and modem, delivery is both instantaneous and cheap: \$1 per ounce. If not, service is costlier. The slowest messages, "MCI letters," go electronically to a post office near the recipient and are delivered by postmen, usually a day later (\$2 for the first ounce). MCI guarantees "overnight letters" (\$6) will be delivered the next day by Purolator Courier. "Four-hour letters" (\$25) will also be delivered by Purolator. In all categories, extra ounces cost \$1 each.



TWO-STEP

A chip to beat the megabit

When it comes to random-access memory chips, the commercial successes have advanced in quadruple time. The 1K chip—the K stands for 1,024 bits of information—came to market in 1971. After that came the 4K, the 16K, and the 64K. Now 256K chips are just beginning to go on sale, and companies around the globe are striving to be first to market a megabit (256 x 4) chip. But since that won't happen for several years, IBM slowed to double time and in mid-September announced the development of a 512K chip (above, actual size). If it can be produced before the megabit bows, IBM will be a beat ahead of its competitors.



FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 9/29/83

24

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

BT

UNCLAS

b6
b7C

ATTENTION: [REDACTED] FINANCIAL CRIMES

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH AND COMPANY, A.G.; MARC RICH AND COMPANY

INTERNATIONAL, LTD, AKA "CLARENDON, A.G."; RICO - FBW - MF;

TAX EVASION (OO: NY)

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ
 ADVISED OF DEVELOPMENTS IN CAPTIONED.

BASED ON CONVERSATIONS WITH AUSA [REDACTED] INTERNAL REVENUE
 SERVICE (IRS) WITHIN NEXT ONE TO TWO DAYS, WILL MAKE A JEOPARDY
 ASSESSMENT FOR ALL TAXES DUE AND OWING THE U.S. GOVERNMENT (INCLUDING
 PENALTIES AND INTEREST). ACCORDINGLY, TAX LIENS AND LEVIES WILL
 BE PLACED ON ALL MARC RICH U.S. ASSETS (VALUE TO EXCEED \$300
 MILLION).

b6
b7C

IT IS NOT DETERMINED WHETHER IRS WILL CLOSE DOWN ALL U.S.
 OPERATIONS COMPLETELY OR ALLOW OPERATIONS TO CONTINUE UNDER A

① - NEW YORK
 1 - SUPV, M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 JC/mjs

Approved: L/

Transmitted

(Number)

(Time)

Per

91A-1774-11R

b6
b7C

[REDACTED]

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

PAYMENT SCHEDULE.

JEOPARDY ASSESSMENT WAS NECESSITATED OUT OF A FEAR THAT COLLECTION OF TAX LIABILITY WAS IN DOUBT. PRIMARY UNDERLYING REASONS: RICH AND GREEN - FUGITIVES, NO NEW BUSINESS IS BEING CONDUCTED IN U.S., AND U.S. OPERATIONS WERE BEING LIQUIDATED.

ON SEPTEMBER 30, 1983, IRS [REDACTED] REQUESTED BRIEFING REGARDING CAPTIONED BY WASHINGTON OFFICE OF IRS.

FBIHQ WILL BE KEPT ADVISED.

BT

b6
b7C

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

#

NYO 666 2722340

PP HQ

FE NY 024

P 292030Z SEP 83FM NEW YORK (196A-1774) (P) (M-L)

TO DIRECTOR (196B-2848) PRIORITY

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mg

ATTENTION: [REDACTED] FINANCIAL CRIMES

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE V [REDACTED]

b6
b7C

MARC RICH AND COMPANY, A.G.; MARC RICH AND COMPANY

INTERNATIONAL, LTD, AKA "CLARENDON, A.G."; RICO - FBW - MF;

TAX EVASION (OO: NY)

THE PURPOSE OF THIS COMMUNICATION IS TO KEEP FBIHQ
ADVISED OF DEVELOPMENTS IN CAPTIONED.

BASED ON CONVERSATIONS WITH AUSA [REDACTED] INTERNAL REVENUE
SERVICE (IRS) WITHIN NEXT ONE TO TWO DAYS, WILL MAKE A JEOPARDY
ASSESSMENT FOR ALL TAXES DUE AND OWING THE U.S. GOVERNMENT (INCLUDING
PENALTIES AND INTEREST). ACCORDINGLY, TAX LIENS AND LEVIES WILL
BE PLACED ON ALL MARC RICH U.S. ASSETS (VALUE TO EXCEED \$300
MILLION).

b6
b7C

IT IS NOT DETERMINED WHETHER IRS WILL CLOSE DOWN ALL U.S.
OPERATIONS COMPLETELY OR ALLOW OPERATIONS TO CONTINUE UNDER A

196A-1774-168
JF - JF

b6
b7C

PAGE TWO

NY 196A-1774

UNCLAS

PAYMENT SCHEDULE.

JEOPARDY ASSESSMENT WAS NECESSITATED OUT OF A FEAR
THAT COLLECTION OF TAX LIABILITY WAS IN DOUBT. PRIMARY UNDERLYING
REASONS: RICH AND GREEN - FUGITIVES, NO NEW BUSINESS IS BEING
CONDUCTED IN U.S., AND U.S. OPERATIONS WERE BEING LIQUIDATED .

ON SEPTEMBER 30, 1983, IRS [REDACTED] REQUESTED
BRIEFING REGARDING CAPTIONED BY WASHINGTON OFFICE OF IRS.

b6
b7c

FBIHQ WILL BE KEPT ADVISED.

BT

SEO 002

RR NY

DE SE

R 050540Z OCT 83

FM SEATTLE (29A-2948) (P)

TO NEW YORK (196-1774) (M-1) ROUTINE

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/moz

[REDACTED]

[REDACTED] THE SEATTLE FIRST NATIONAL BANK, SEATTLE,
WASHINGTON; BF&E, OO: SEATTLE.

b6
b7C

RE SEATTLE TELEPHONE CALL TO [REDACTED] NEW YORK,
OCTOBER 3, 1983.

INVESTIGATION IN ABOVE CAPTIONED CASE INVOLVES PROBLEM LOANS
IN THE SEATTLE FIRST NATIONAL BANK (SFNB), SEATTLE, WASHINGTON,
WHICH WAS SUBSEQUENTLY PURCHASED BY AN OUT-OF-STATE BANK TO
AVOID CLOSURE. ONE OF THE MAJOR PROBLEMS LEADING TO THE FAILURE
OF SFNB INVOLVED PERSONAL AND ENERGY RELATED LOANS NEGOTIATED
BY THE SFNB ENERGY DIVISION. ONE SUCH CUSTOMER WAS LISTED ON
BANK RECORDS AS BEING LISTO PETROLEUM, INC., HAVING AN ADDRESS OF
2200 SOUTHWEST FREEWAY, SUITE 500, HOUSTON, TEXAS, AS OF

196A-1774-170

b6
b7C

19-1
[REDACTED] B

PAGE 2 SE 29A-2948 UNCLAS

NOVEMBER 20, 1981. THE [REDACTED] OF

LISTO PETROLEUM WAS LISTED AS [REDACTED]

POSSIBLY CONNECTED WITH LISTO PETROLEUM ARE [REDACTED]

b6
b7C

[REDACTED]

INFORMATION AT SEATTLE REFLECTS THAT MARC RICH AND/OR
PINCUS GREEN AND THEIR DOMESTIC COMPANY MAY HAVE CARRIED OUT
AN OIL LAUNDERING AND PROFIT HIDING SCHEME WITH TEXAS COMPANIES,
ONE OF WHICH BEING LISTO PETROLEUM IN HOUSTON, TEXAS.

NEW YORK AT NEW YORK, NEW YORK: FURNISH SEATTLE WITH
SUMMARY OF ANY INVESTIGATION INVOLVING LISTO PETROLEUM COMPANY,
ALONG WITH ANY INFORMATION ON ABOVE NAMES POSSIBLY RELATED TO
LISTO PETROLEUM COMPANY.

BT

SFO

RR NY

TE SE

A 050540Z OCT 77

FM SEATTLE (204-2040) (P)

TO NEW YORK (100-1070) (P) ROUTINE

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mr

[REDACTED]
[REDACTED] THE SEATTLE FIRST NATIONAL BANK, SEATTLE,
WASHINGTON; RECY, OO: SEATTLE.

b6
b7C

RE SEATTLE TELEPHONE CALL TO [REDACTED] NEW YORK,
OCTOBER 3, 1977.

INVESTIGATION IN ABOVE CAPTIONED CASE INVOLVES PROBLEM LOANS
IN THE SEATTLE FIRST NATIONAL BANK (SFNB), SEATTLE, WASHINGTON,
WHICH WAS SUBSEQUENTLY PURCHASED BY AN OUT-OF-STATE BANK TO
AVOID CLOSURE. ONE OF THE MAJOR PROBLEMS LEADING TO THE FAILURE
OF SFNB INVOLVED PERSONAL AND ENERGY RELATED LOANS NEGOTIATED
BY THE SFNB ENERGY DIVISION. ONE SUCH CUSTOMER WAS LISTED ON
BANK RECORDS AS BEING LISTED PETROLEUM, INC., HAVING AN ADDRESS OF
2220 SOUTHWEST FREEWAY, SUITE 200, HOUSTON, TEXAS. AS OF

196A-1774-170

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 13 1983	

[REDACTED]

b6
b7C

PAGE 2 SE 89A-342 UNCLAS

NOVEMBER 20, 1981. TBT

LISCO PETROLEUM WAS LISTED AS

POSSIBLY CONNECTED WITH LISCO PETROLEUM ARE

b6
b7C

INFORMATION AT SAN DIEGO REFLECTS THAT MARC RICH AND/OR
RICHES GREEN AND THEIR DOMESTIC COMPANY MAY HAVE CARRIED OUT
AN OIL LAUNDERING AND PROFIT HIDING SCHEME WITH TEXAS COMPANIES,
ONE OF WHICH BEING LISCO PETROLEUM IN HOUSTON, TEXAS.

NEW YORK AND NEW YORK, NEW YORK: FURNISH SEATTLE WITH
SUMMARY OF ANY INVESTIGATION INVOLVING LISCO PETROLEUM COMPANY,
ALONG WITH ANY INFORMATION ON ABOVE NAMES POSSIBLY RELATED TO
LISCO PETROLEUM COMPANY.

BT

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/30/83

TO: ADIC, NEW YORK (196A-1774)

FROM: SAC DALLAS (196B-1291) (RUC)

MARC RICH, dba
 Marc Rich and Company,
 Et Al
 FBW - ENERGY RELATED
 OO: NY

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SPS JK nm

Re New York facsimile to Abilene, Texas RA,
 9/9/83.

Enclosed for New York is one copy of subpoena,
 indicating service on [redacted]
 [redacted] on 9/12/83.

On 9/15/83, [redacted] advised he had sent subpoenaed
 documents air express directly to AUSA [redacted]

Dallas considers matter RUC.

② - New York (Enc.1)
 1 - Dallas
 DLR:hn
 (3)

b6
 b7C

b6
 b7C
 b3

b6
 b7C
 b3

Approved: _____

Transmitted _____ (Number) (Time)

996A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 4 1983	

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/30/83

TO: ADIC, NEW YORK (196A-1774)

FROM: SAC, DALLAS (196B-1291) (RUC)

MARC RICH, dba
 Marc Rich and Company,
 Et Al
 FBW - ENERGY RELATED
 OO: NY

Re New York facsimile to Abilene, Texas RA,
 9/9/83.

Enclosed for New York is one copy of subpoena,
 indicating service on [redacted]
 [redacted] on 9/12/83.

On 9/15/83, [redacted] advised he had sent subpoenaed
 documents air express directly to AUSA [redacted]

Dallas considers matter RUC.

② - New York (Enc.1)
 1 - Dallas
 DLR:hn
 (3)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 JC/mj

b6
 b7C
 b3

b6
 b7C
 b3

Approved: _____ Transmitted _____
 (Number) (Time)

196A-1774-121

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 4 1983	
FBI - NEW YORK	

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS
Date 10/4/83

FM NEW YORK (196A-1774) (P) (M-1)

~~TO DIRECTOR (196B-2848) PRIORITY~~ 2033

ATTENTION: SUPV. [REDACTED] FINANCIAL CRIMES

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH AND COMPANY, INTERNATIONAL
 LTD, AKA "CLARENDON, A.G."; RICO - FBW - MF - TAX EVASION -
 TRADING WITH ENEMY (OO:NY)

b6
b7C

PURPOSE OF COMMUNICATION TO KEEP FBIHQ ADVISED OF
 DEVELOPMENTS IN CAPTIONED.

ON [REDACTED]

JUDGE SAND [REDACTED]

b3

FBIHQ WILL BE KEPT ADVISED.

BT

① - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5 JC/mz

Approved: C/A

Transmitted _____

(Number)

(Time)

Per _____

b6
b7C

[REDACTED]

NY0901 2772032

PP HQ -

DE NY PQW

P 042000Z OCT 83FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

ATTENTION: SUPV. [REDACTED] FINANCIAL CRIMES

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH & CO., A.G.; MARC RICH AND COMPANY, INTERNATIONAL
LTD, AKA "CLARENDON, A.G."; RICO A FBW - MF - TAX EVASION -
TRADING WITH ENEMY (OO:NY)

b6
b7C

PURPOSE OF COMMUNICATION TO KEEP FBIHQ ADVISED OF
DEVELOPMENTS IN CAPTIONED.

ON

JUDGE SAND [REDACTED]

b3

FB IHQ WILL BE KEPT ADVISED.

BT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JCT/mj

196A-1774-172

b6
b7C

[REDACTED] B

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

October 19, 1983

TO : SAC, SEATTLE (29A-2948) (P)

FROM : ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: [REDACTED]

[REDACTED] OF THE ENERGY DIVISION
OF SEATTLE FIRST NATIONAL BANK
SEATTLE, WASHINGTON;
BF&E
(OO:SE)

b6
b7C

ReSEtel to NY, dated 10/5/83.

Enclosed for Seattle is a copy of a 51 count indictment
returned, 9/19/83, regarding NY 196A-1774.

For information of Seattle, enclosed indictment includes
a summary of the investigation involving Listo Petroleum Company.
Pages 14-17 explains Listo's involvement. [REDACTED] was

b6
b7C

[REDACTED] Listo
Petroleum, Houston, Texas.

[REDACTED] were subpoenaed by
the Federal Grand Jury, SDNY. Currently, [REDACTED]
[REDACTED]

b6
b7C
b3

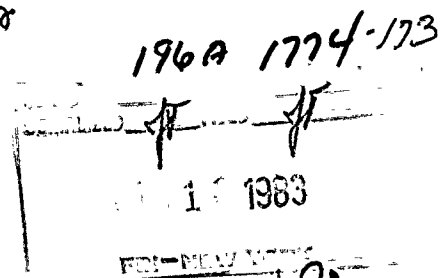
The following individuals have testified before the
Grand Jury regarding [REDACTED]
[REDACTED]

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mag

MEB
2 - Seattle (Encl.)
1 - New York

MEB:nec
(4)



NY 196A-1774

All of the above individuals and others listed in referenced teletype are believed to be residing in the [redacted] area.

[redacted] can be reached at telephone number [redacted] and according to AUSA [redacted] knows the current whereabouts of [redacted] former employees.

b6
b7C
b3

NY was not aware of details surrounding referenced [redacted]

NY would be interested in any information developed regarding [redacted] involvement in captioned.

Federal Bureau of Investigation

AIRTEL

To: Director, FBI
Att: Criminal Investigative Division

Date: OCT 19 1983

From: SAC, NEW YORK (196A-1774) (M-1) INSTRUCTIONS - Reverse side

NOTE: Priority "A" and "B" Fugitives - With initial submission, set forth a synopsis of crime on reverse side.

Subject: MARC RICH-FUGITIVE;
PINCUS GREEN-FUGITIVE;b6
b7C☒ Initial Submission☐ Supplements FD-65 dated _____MARC RICH AND COMPANY A.G.;
MARC RICH AND COMPANY INTERNATIONAL, LTD., aka
"Clarennoon A.G."
RICO; FBW;
MF-TAX EVASION
(OO:NY)

Indicate Fugitive Priority

☐ A☒ B☐ C

Caution <input type="checkbox"/>	MKE	Name	PINCUS GREEN		NAM	Sex	SEX	Race	RAC			
						M		W				
Place of Birth		Brooklyn, New York		POB	Birth Date	DOB	Height	HGT	Weight	WGT		
							5'10"		180			
Eye Color	EYE	Hair Color	HAIR	FBI No.	FBI	Skin Tone		SKN.				
		Gray										
Scars, Marks, Tattoos, etc.									SMT			
NCIC Fingerprint Classification		FPC	Other Identifying Number		MNU	Social Security #		SOC				
Operator's License Number		OLN	Operator's License State		OLS	Year Expire		OLY				
Offense Charged OFF Racketeering-Racketeering Consp.-Mail Fraud-Wire Fraud-Tax Evasion												
U. S. Code, Title and Section 18, 1962 (c) (d), 1341, 1343-26, 7201-31, 535.206 (a) (4)												
Warrant Issued By		USDJ		on		9/19/83		DOW F. O. File # OCA				
Date PBV or Bond Default Case Referred to Office						NY 196A-1774						
Miscellaneous Including Bond Recommended						MIS Fingerprint Classification (Henry System)						
If encountered, contact U.S. Customs Agent [redacted] or FBI SA [redacted] (212) 553-2700						ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/21/01 BY SP5 JC/mj						
LICENSE PLATE AND VEHICLE INFORMATION												
License Plate Number		LIC	State	LIS	Year Expires	LIY	License Plate Type		LIT			
Vehicle Identification #		VIN	Year	VYR	Make	VMA	Model	VMO	Style	VST	Color	VCO
Aliases		Additional Identifiers										
NCIC #		[redacted]										

b6
b7Cb6
b7Cb6
b7Cb6
b7C

2 - FBIHQ (1 - Fugitive Unit)

① - New York

MEB:mr MF (M-1)

1 - Supervisor M-1 rec'd 12/5/83 in huc msk

FBI/DOJ

Pincus Green indicted 9/19/83 for utilizing an enterprise to wire transfer over \$100 million illegal profits generated by trading oil, thereby evading over \$48 million in taxes. Also, he caused over \$200 million U.S. dollars to be transferred to Iran during embargo.

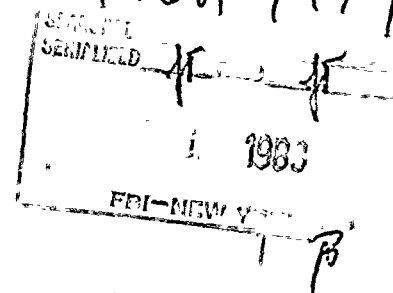
Green entered NCIC by U.S. Customs 9/19/83.

INSTRUCTIONS

1. **Caution (MKE)** - Insert "C" in block if caution statement indicated. Basis for caution statement must appear in Miscellaneous block, e.g. armed and dangerous.
2. **Name (NAM)** - Place name in this block. Aliases are not to be entered in this block but are to be placed in Aliases block.
3. **Sex (SEX)** - Sex will be designated by one letter, M (male) or F (female).
4. **Race (RAC)** - Race will be described by one letter, W (white), N (Negro), I (Indian), C (Chinese), J (Japanese), O (all other). Mexicans who are not definitely Indian or other nonwhite should be described as "W".
5. **Place of Birth (POB)** - Indicate city and state or, if foreign born, city and country. Where multiple birthplaces are reported, list verified birthplace or that which appears most logical in this block.
6. **Birth Date (DOB)** - Enter as month, day and year. Where multiple birth dates are reported, enter verified birth date or that which appears most logical in this block. Place other dates of birth in Additional Identifiers block.
7. **Height (HGT)** - Express in feet and inches, e.g. 6' 0". Round off fractions to nearest inch. 322.500 ()
8. **Weight (WGT)** - Express in pounds. Omit fractions. 160.000 ()
9. **Eye Color (EYE)** - Use appropriate three character symbol.
10. **Hair Color (HAI)** - Use appropriate three character symbol.
11. **Skin Tone (SKN)** - Use appropriate three character symbol.
12. **Scars, Marks, Tattoos, etc. (SMT)** - Place in this block only appropriate NCIC coding for scars, marks, tattoos, birthmarks, deformities, missing body parts and artificial body parts as defined in NCIC Operating Manual. If more than one SMT is to be entered, use Additional Identifiers block for additional appropriately coded items. Use Miscellaneous block to describe all scars, marks, tattoos, etc. which are not defined in the NCIC Operating Manual and to more fully describe SMT's which have been entered in SMT block. For example, an appendectomy scar, not being readily visible, would be described in the Miscellaneous block. A tattoo on right arm, shown as TAT R ARM in block, might be further described in Miscellaneous block as a rose tattoo on inside of lower right arm.
13. **NCIC Fingerprint Classification (FPC)** - Enter NCIC fingerprint classification.
14. **Other Identifying Number (MNU)** - Miscellaneous numbers may be entered with appropriate identifiers (prefixes). For first miscellaneous identifying number, use MNU block. When military service number is in fact Social Security Account Number, the number should be entered in both MNU and SOC blocks. Additional identifying numbers are placed in Additional Identifiers block. The identifier (prefix) should precede the number and be separated from the number by use of a hyphen. See NCIC Operating Manual, Part 9, page 26 for appropriate agency identifiers.
15. **Fingerprint classification (Henry System)** - The Henry System fingerprint classification is to be placed in this block, when available. Do not enter in NCIC.
16. **Social Security Number (SOC)** - Place subject's Social Security Account Number in this block.
17. **Operator's License Number** - Place subject's operator's license number in OLN block. Also show licensing state (OLS) and year license expires (OLY).
18. **Warrant Issued By On (DOW)** - In Escaped Federal Prisoner cases enter date of escape in DOW block.
19. **Miscellaneous (MIS)** - Enter additional pertinent information in this block. If caution statement used, basis for statement must be set forth as first item in this block.
20. **License Plate and Vehicle Information** - Place information concerning license plate and/or vehicle known to be in the possession of subject in appropriate blocks under License Plate and Vehicle Information heading.
21. **Additional Identifiers** - Enter information concerning additional license plates (number, state, year expires, and where applicable, type); Social Security Numbers; operator's license number, state and year expires; vehicle information (VIN, VYR, VMA, VMO, VST, VGO); MNU's (see list in item 14 above); visible scars, marks, tattoos, etc.; and dates of birth. Clearly identify what data is being set forth; e.g. Social Security # 423-56-3294; Michigan operator's license 234567; expires 1972; DOB 5/4/5/32, 5/3/32; etc.
22. Changes and deletions should be so indicated in the appropriate blocks.

EDIC NEW YORK (100-111) (1-1)

FBI
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP SC



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b3

Attention:

[Redacted]

GREETINGS:

WE COMMAND YOU that all business and excuses being laid aside, you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, on the [Redacted] to testify and give evidence in regard to an alleged violation of

[Redacted]

b3

and not to depart the Court without leave thereof, or of the United States Attorney, and that you produce at the time and place aforesaid the following:

[Redacted]

b3

And for failure to attend and produce [Redacted] you will be deemed guilty of contempt of Court and liable to penalties of law.

b3

Dated: New York, N.Y.

September 8, 1983

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Burghardt
Clerk.

NOTE: REPORT AT ROOM 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

[Redacted]
Assistant United States Attorney
Telephone: [Redacted]

b6
b7C

Room [Redacted]
One St. Andrew's Plaza
New York, New York 10007

Transmit attached by Facsimile - UNCLAS

Precedence

PriorityTo: SAC, DALLAS (196B-1291) →
ATTN: ABILENE RA

Date: 9/9/83

From: ADIC, New York (196A-1774) (m-1)

Time: Transmitted - 10:25

Subject: MARC Rich dba
MARC Rich and Company
et al
FBI - energy related

Initials -

St
received BW☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other Subpoena

Special handling instructions:

Please serve subpoena ASAP - FF background is needed
Call SA [] - New York EXT. 2943.ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 2/21/01 BY SP5 JC mm

Approved

b6
b7C

b6
b7C



-4-

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 10/19/83

33

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

ATTN: SUPERVISOR [REDACTED] FINANCIAL CRIMES UNIT, DIV. 6

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY AG; MARC RICH AND COMPANY INTERNATIONAL LTD., AKA "CLARENDON A.G.", RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY, OO:NY.

FOR INFORMATION OF BUREAU, ON OCTOBER 18, 1983,

[REDACTED] A VERY RELIABLE AND EXTREMELY SENSITIVE SOURCE

DEVELOPED HIGHLY SINGULAR INFORMATION REGARDING CAPTIONED

MATTER. SOURCE LEARNED THAT [REDACTED]

b7D
b7F

1 - NEW YORK

1 - [REDACTED] (S) (U) b7D b7F
1 - SUPERVISOR M-1

WMM:dap

Approved: [Signature]

Transmitted [Signature]

(Number)

(Time)

Per [Signature]

CLASSIFIED BY: SP5 JC
REASON: 15 (C)
DECLASSIFY ON: X
2/21/01 01-081

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

~~SECRET~~

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO UNCLAS

b7D
b7F

SOURCE ADVISED THAT

b7D
b7F

SOURCE ADVISED

ANOTHER

b7D
b7F

AVENUE MUST BE DEVELOPED TO VERIFY THIS INFORMATION. (S)(U)

NEW YORK CONCURS WITH SOURCE'S ASSESSMENT. SOURCE
WILL BE IN PHYSICAL DANGER, (S)(U)

Approved: _____ Transmitted _____ (Number) (Time) Per _____

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date _____

PAGE THREE UNCLAS

b7D
b7F[REDACTED]
[REDACTED] TO SOURCE. (S)(U)

NEW YORK WILL ADVISE SDNY OFFICIALS OF INFORMATION FROM SOURCE AND WILL INSURE SDNY OFFICIALS ARE AWARE OF THE NEED TO PROTECT SOURCE. NEW YORK AND SDNY OFFICIALS WILL DEVELOP ANOTHER AVENUE TO PURSUE THIS INFORMATION.

BUREAU WILL BE KEPT APPRISED OF DEVELOPMENTS.

ADMINISTRATIVE

INFORMATION FROM [REDACTED] (S)(U) IS OF A HIGHLY SINGULAR NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY.

b7D
b7E
b7F[REDACTED]
[REDACTED] WHOSE

IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

BT

#

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

b6
b7C

NY0842 2920215

PP HQ

DE NY 033

P 191915Z OCT 83

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

ATTN: SUPERVISOR [REDACTED] FINANCIAL CRIMES UNIT, DIV. 6

b6
b7C

BT

UNCLAS-

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY AG; MARC RICH AND COMPANY INTERNATIONAL

LTD., AKA "CLARENDON A.G.", RICO; FBW; MF; TAX EVASION;

TRADING WITH THE ENEMY, OO:NY.

(U) FOR INFORMATION OF BUREAU, ON OCTOBER 18, 1983,

[REDACTED] A VERY RELIABLE AND EXTREMELY SENSITIVE SOURCE

DEVELOPED HIGHLY SINGULAR INFORMATION REGARDING CAPTIONED

MATTER. SOURCE LEARNED THAT [REDACTED]

b7D
b7E

CLASSIFIED BY: SP5JC/maj
REASON: 1.5 (C)
DECLASSIFY ON: X

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

196A-1774-176
ff ff

78

~~SECRET~~

PAGE TWO UNCLAS

~~SECRET~~

b7D
b7F

[S] (U)

SOURCE ADVISED THAT

b7D
b7F

[S] (U)

SOURCE ADVISED

b7D
b7F

ANOTHER

AVENUE MUST BE DEVELOPED TO VERIFY THIS INFORMATION. [S] (U)

NEW YORK CONCURS WITH SOURCE'S ASSESSMENT. SOURCE
WILL BE IN PHYSICAL DANGER, NOT FROM [S] (U)

~~SECRET~~

PAGE THREE ~~UNCLAS~~

b7D
b7F

~~SECRET~~

[REDACTED]
[REDACTED] TO SOURCE. (~~S~~)(U)

NEW YORK WILL ADVISE SDNY OFFICIALS OF INFORMATION FROM SOURCE AND WILL INSURE SDNY OFFICIALS ARE AWARE OF THE NEED TO PROTECT SOURCE. NEW YORK AND SDNY OFFICIALS WILL DEVELOP ANOTHER AVENUE TO PURSUE THIS INFORMATION.

BUREAU WILL BE KEPT APPRISED OF DEVELOPMENTS.

ADMINISTRATIVE

INFORMATION FROM [REDACTED] (~~S~~)(U) IS OF A HIGHLY SINGULAR NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY.

b7D
b7E
b7F

[REDACTED]
[REDACTED] WHOSE

IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

BT

~~SECRET~~

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 10/20/83

21

FM NEW YORK (196B-1774) (P) (M-1)

~~TO DIRECTOR (196B-2848) ROUTINE~~ 0115

ATTENTION: SUV. [REDACTED] FINANCIAL CRIMES.

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD.,
 AKA "CLARENDON A.G."; RICO - FBW - MF- TAX EVASION - TRADING
 WITH ENEMY (OO:NY)

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ.

ON OCTOBER 19, 1983, AUSA [REDACTED] ADVISED [REDACTED]

b6
b7C
b3

JUDGE

SAND [REDACTED]

SAND [REDACTED]

1 - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY 5931 JC-m

196B 1774-177

b6
b7CApproved: L/P

Transmitted

(Number)

(Time)

Per 3

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196B-1774

UNLCAS

AUSA [] ADVISED SEPTEMBER 30, 1983, INTERNAL REVENUE SERVICE (IRS) DECLARED A JEOPARDY ASSESSMENT ON MARC RICH & CO. INTERNATIONAL, LTD., AKA "CLARENDON A.G." IN THE AMOUNT OF \$90 MILLION. THIS REPRESENTS BACK TAXES, PENALTIES AND INTEREST. AS OF OCTOBER 19, 1983, IRS COLLECTED \$22 MILLION AND CONTINUES SEARCH FOR ADDITIONAL FUNDS. IF IT IS EVENTUALLY FOUND CLARENDON DOES NOT OWE ADDITIONAL TAXES, THE MONEY WOULD BE RETURNED WITH INTEREST.

b6
b7C

IRS CAN DECLARE JEOPARDY ASSESSMENT WHEN IT BELIEVES ULTIMATE COLLECTION OF A LEVY MIGHT BE JEOPARDIZED. ASSESSMENT WAS DECLARED BECAUSE OF PATTERN OF EVASIVENESS AND BECAUSE CLARENDON MIGHT BECOME INSOLVENT.

~~FD-515S TO FOLLOW BOTH ITEMS.~~

~~FBIHQ WILL BE KEPT ADVISED.~~

*corrected
on card*

COLLECTION OF \$22 MILLION BY IRS AROSE OUT OF 51 COUNT INDICTMENT FILED SEPTEMBER 19, 1983 TO WHICH FBI CONTRIBUTED SUBSTANTIALLY. INVESTIGATION INVOLVED RICO SCHEME WHEREIN MYRIAD OF WIRE TRANSFERS WERE UTILIZED BY MARC RICH TO TRANSFER OFF-SHORE ILLEGALLY GENERATED OIL PROFITS ON WHICH U.S. TAXES WERE NOT PAID.

Approved: _____ Transmitted _____ Per _____
 (Number) (Time)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

NY 196B-1774

UNCLAS

FD-515S TO FOLLOW BOTH ITEMS.

FBIHQ WILL BE KEPT ADVISED DEVELOPMENTS IN THIS CASE.

BT

#

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0946 2930115

RRRR HQ

DE NY 021

R 202000Z OCT 83

FM NEW YORK (196B-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

ATTENTION: SUV. [REDACTED] FINANCIAL CRIMES

BT

b6
b7C

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD.,
AKA "CLARENDON A.G."; RICO - FBW - MF- TAX EVASION - TRADING
WITH ENEMY (OO:NY)

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ.

ON OCTOBER 19, 1983, AUSA [REDACTED] ADVISED [REDACTED]

[REDACTED]

b6
b7C
b3

[REDACTED] JUDGE

SAND

SAND

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5-JU/208

196A-1774-177

AUSA [] ADVISED SEPTEMBER 30, 1983, INTERNAL REVENUE SERVICE (IRS) DECLARED A JEOPARDY ASSESSMENT ON MARC RICH & CO. INTERNATIONAL, LTD., AKA "CLARENDON A.G." IN THE AMOUNT OF \$90 MILLION. THIS REPRESENTS BACK TAXES, PENALTIES AND INTEREST. AS OF OCTOBER 19, 1983, IRS COLLECTED \$22 MILLION AND CONTINUES SEARCH FOR ADDITIONAL FUNDS. IF IT IS EVENTUALLY FOUND CLARENDON DOES NOT OWE ADDITIONAL TAXES, THE MONEY WOULD BE RETURNED WITH INTEREST.

b6
b7c

IRS CAN DECLARE JEOPARDY ASSESSMENT WHEN IT BELIEVES ULTIMATE COLLECTION OF A LEVY MIGHT BE JEOPARDIZED. ASSESSMENT WAS DECLARED BECAUSE OF PATTERN OF EVASIVENESS AND BECAUSE CLARENDON MIGHT BECOME INSOLVENT.

COLLECTION OF \$22 MILLION BY IRS AROSE OUT OF 51 COUNT INDICTMENT FILED SEPTEMBER 19, 1983 TO WHICH FBI CONTRIBUTED SUBSTANTIALLY. INVESTIGATION INVOLVED RICO SCHEME WHEREIN MYRIAD OF WIRE TRANSFERS WERE UTILIZED BY MARC RICH TO TRANSFER OFF-SHORE ILLEGALLY GENERATED OIL PROFITS ON WHICH U.S. TAXES WERE NOT PAID.

PAGE THREE

NY 19 6B-1774

UNCLAS

FD-515S TO FOLLOW BOTH ITEMS.

FBIHQ WILL BE KEPT ADVISED DEVELOPMENTS IN THIS CASE.

BT

196 A-1774-178

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5-JC/may

100

VIRGINIA TAX REVIEW

VOLUME 1, NUMBER 2

FALL 1981

OPERATING A BUY-SELL CONTROLLED FOREIGN CORPORATION WITH A FIXED PLACE OF BUSINESS IN THE UNITED STATES

*Roy Albert Povell & L. Frank Chopin**

A foreign base company is a foreign corporation organized by United States interests—a U.S. citizen, resident, or domestic entity—for the purpose of conducting foreign business operations. A principal motivation for the use of a foreign base company is the avoidance of direct U.S. income taxation (at the company level) and the deferral of indirect U.S. income taxation (at the U.S. shareholder level). This benefit inures because, unlike foreign branches of domestic corporations, foreign corporations are taxed in the United States only on certain income which has its source in the United States or which is effectively connected with a trade or business carried on in the United States.¹ This allows such companies, assuming they are based in low or no tax jurisdictions, not only to avoid tax in the first instance but to accumulate and reinvest their earnings while continuing to defer U.S. income taxation until such time as the earnings are actually distributed to the United States shareholders. Obviously, this result is not available to every foreign corporation and to the extent that such a corporation is a “controlled foreign corporation” and receives certain “tainted” income, the tax benefits just described will be lost.²

This article will consider in general terms the methodology for, and U.S. tax consequences of, utilizing a tax haven based company

* Mr. Povell is a partner in the firm of Cadwalader, Wickersham & Taft in New York, New York and in Palm Beach, Florida. Mr. Chopin is an attorney with the firm of Cadwalader, Wickersham & Taft, Palm Beach, Florida.

¹ See notes 17-41.1 *infra* and accompanying text.

² See notes 87-139 *infra* and accompanying text.

to engage in international sales transactions.³ More specifically, it will focus on the treatment of the corporation as a separate taxable entity and as the true earner of its income; the direct United States taxation of foreign corporations; and the difficulties posed by United States anti-avoidance legislation.

I. BACKGROUND

A. Recognition of the Corporate Entity

As noted, a primary objective of the foreign base company is U.S. income tax deferral. The successful achievement of this objective depends in the first instance on having the corporation treated as a taxable entity separate from its shareholders. Stated differently, the foreign base company must have substance, at least such substance as will prevent it being treated as a sham or conduit.

The basic test applied by courts in determining whether the separate existence of a corporation should be given effect for tax purposes was phrased by the United States Supreme Court in *Moline Properties, Inc. v. Commissioner*⁴ as follows:

The doctrine of corporate entity fills a useful purpose in business life. Whether the purpose be to gain an advantage under the law of the state of incorporation or to avoid or to comply with the demands of creditors or to serve the creator's personal or undisclosed convenience, so long as that purpose is the equivalent of business activity or is followed by the carrying on of business by the corporation, the corporation remains a separate taxable entity.⁵

The test appears to be an alternative one, requiring the corporation to have either business purpose or business activity. In applying *Moline*, however, some cases have held that the corporation should cease to be regarded as a separate entity once its business activities have been discontinued.⁶

³ Care must be exercised so that the company's income is not subject to a high rate of taxation by a foreign government. Tax consequences arising in jurisdictions outside the United States as well as planning techniques for repatriation of accumulated foreign income are beyond the scope of this discussion.

⁴ 319 U.S. 436 (1943).

⁵ *Id.* at 438-39 (emphasis added).

⁶ See, e.g., *National Investors Corp. v. Hoey*, 144 F.2d 466 (2d Cir. 1944) (subsidiary formed to hold securities to facilitate a consolidation treated as a separate corporation only as long as plan of consolidation proceeding, but not after plan abandoned); *Minnesota Farm*

Moline does not specify the quantum of business activity required of a corporation to ensure its taxability as a separate entity; subsequent cases, however, indicate that it may be very small.⁷ As one commentator suggests, "[m]inimal activity, such as signing leases, issuing a mortgage, [or] maintaining a bank account will be enough to constitute 'business activity'."⁸ In *Moline*, the corporation was created to hold realty previously owned by its sole shareholder. The corporation's existence was recognized because it had assumed a mortgage, entered into a short term net lease of property, and sold property it held.⁹

When corporations are availed of only for tax avoidance purposes and have no business purpose or engage in little or no activity, they will be disregarded for U.S. income tax purposes.¹⁰ A general tax avoidance motive will not be sufficient, however, in the face of business purposes and/or business activity to strip a corporation of its separately taxable status. As the Tax Court noted:

The test, however, is not the personal purpose of a taxpayer in creating a corporation. Rather, it is whether that purpose is intended to be accomplished through a corporation carrying out substantive business functions. If the purpose of the corporation is to carry out substantive business functions, or if it in fact engages in substan-

Bureau Sec., Inc. v. United States, 63-1 U.S.T.C. ¶ 9138 (D. Minn. 1962) (subsidiary originally formed to raise funds for parent held a "conduit" not separately taxable in a later "year of passive business purpose").

⁷ See, e.g., *Britt v. United States*, 431 F.2d 227, 237 (5th Cir. 1970). See also *Baker & Rothman, Nominee and Agency Corporations: Grasping For Straws*, 33 N.Y.U. INST. FED. TAX. 1255, 1281-84 (1975); *Kronovet, Straw corporations: when will they be recognized; what can and should be done*, 39 J. TAX. 54 (1973).

⁸ *Kronovet, supra* note 7, at 55.

⁹ See 319 U.S. at 437-38. For additional cases which have required only minimal corporate activity to find a separate taxable entity, see *Britt v. United States*, 431 F.2d 227 (5th Cir. 1970) (investing in a partnership); *Paymer v. Commissioner*, 150 F.2d 334 (2d Cir. 1945) (obtaining a secured loan, even where there is no office or bank account); *Photocircuits Corp. v. United States*, 74-2 U.S.T.C. ¶ 9558 (Ct. Cl. 1974) (handling the licensing of patent rights by a dummy director who acted solely on the instructions of affiliated corporations); *Stillman v. Commissioner*, 60 T.C. 897 (1973) (holding a lease on behalf of a partnership); *Bolger v. Commissioner*, 59 T.C. 760 (1973), acq. 1976-1 C.B. 1 (financing the purchase of and leasing property immediately transferred to shareholders subject to lease and mortgage for no consideration); *Bass v. Commissioner*, 50 T.C. 595 (1968) (holding an undivided working interest in oil and gas leases subject to operating agreements); *Siegel v. Commissioner*, 45 T.C. 566 (1966), acq. 1966-2 C.B. 7 (investing in a joint venture). See also *Cukor v. Commissioner*, 27 T.C.M. (CCH) 89 (1968).

¹⁰ See *Noonan v. Commissioner*, 52 T.C. 907 (1969), *aff'd per curiam*, 451 F.2d 992 (9th Cir. 1971); *Davis v. Commissioner*, 29 T.C.M. (CCH) 749 (1970).

tive business activity, it will not be disregarded for Federal tax purposes.¹¹

An additional factor in determining corporate viability, one which is at best difficult to evaluate, is the observance of corporate formalities. If the corporation maintains an office and a bank account, keeps separate and adequate books and records, holds whatever director or other meetings as are required and files U.S. and foreign tax and informational returns, the fact that it does so can only assist its efforts to achieve separately taxable status.¹² However, such formalities alone are not controlling and it would seem unlikely that a corporation adhering to them but lacking in business purpose and activities could withstand a challenge.

B. True Earner Principles

A basic premise of U.S. tax law is that income is taxed to the person or entity that actually earns it. Once established as a separately taxable entity, the corporation must still demonstrate that it is the true earner of the income.¹³ Income is considered earned by the corporate entity if, through its employees and agents, it performs significant business functions which generate the income.¹⁴ However, if an individual forms a corporation merely for the purpose of channeling income to it and the corporation does not perform any significant income generation functions, income can be allocated to its true earner either under general assignment of income principles¹⁵ or pursuant to section 482 of the Internal Reve-

¹¹ Bass v. Commissioner, 50 T.C. 595, 601 (1968).

¹² Compare Bass v. Commissioner, 50 T.C. 595, 598-99 (1968) with Ross Glove Co. v. Commissioner, 60 T.C. 569, 580-82 (1973), acq. 1974-2 C.B. 4.

¹³ A finding that a corporation is a separately taxable entity does not preclude reallocation of income. See Wilson v. United States, 530 F.2d 772, 778 (8th Cir. 1976); Philipp Bros. Chem., Inc. (Md.) v. Commissioner, 52 T.C. 240, 251 (1969), acq. 1973-2 C.B. 3, *aff'd in part sub nom.* Philipp Bros. Chem., Inc. (N.Y.) v. Commissioner, 435 F.2d 53 (2d Cir. 1970).

¹⁴ See Ross Glove Co. v. Commissioner, 60 T.C. 569, 594 (1973), acq. 1974-2 C.B. 4. A series of relatively recent cases, however, seems to indicate that, if a controlling shareholder's services generate income far in excess of compensation paid for those services, the Service may reallocate income to that shareholder under § 482. See Foglesong v. Commissioner, 621 F.2d 865 (7th Cir. 1980); Rubin v. Commissioner, 429 F.2d 650 (2d Cir. 1970). See generally Fuller, *Section 482 Revisited*, 31 Tax. L. Rev. 475 (1976).

¹⁵ See, e.g., Shaw Constr. Co. v. Commissioner, 323 F.2d 316, 320 (9th Cir. 1963); American Sav. Bank v. Commissioner, 56 T.C. 828, 839 (1971), acq. 1972-1 C.B. 1; Aldon Homes, Inc. v. Commissioner, 33 T.C. 582, 604-05 (1959). In practical effect, the application of the assignment of income doctrine and corporate entity analysis are closely connected, particu-

nue Code.¹⁶

C. Direct Taxation of a Foreign Corporation

A foreign corporation may be subject to either of two different regimens of U.S. federal income taxation depending on whether it is engaged in a trade or business in the United States and whether it receives certain categories of U.S. source passive income.¹⁷ Moreover, it can be subject to both such regimens of direct taxation in the same taxable year. For U.S. tax purposes, the gross income of a foreign corporation includes only: (1) gross income effectively connected with the conduct of a trade or business within the United States; and (2) gross income, derived from sources within the United States, which is not effectively connected with a U.S. trade or business.¹⁸

Whether a foreign corporation is engaged in the conduct of a trade or business within the United States is a question of fact; the answer depends upon the nature and extent of the corporation's economic contacts with the United States.¹⁹ Historically, "trade or

larly since "true earner" issues often turn on the extent of an entity's business activity. See B. BITTKER & J. EUSTICE, *FEDERAL INCOME TAXATION OF CORPORATIONS AND SHAREHOLDERS* § 15.07 (4th ed. 1979) [hereinafter cited as BITTKER & EUSTICE].

¹⁶ I.R.C. § 482. See *Foglesong v. Commissioner*, 621 F.2d 865 (7th Cir. 1980); *Philipp Bros. Chem., Inc. (N.Y.) v. Commissioner*, 435 F.2d 53 (2d Cir. 1970). Section 482 grants the Service considerable authority to reallocate gross income, credits, and deductions between or among controlled taxpayers to prevent tax evasion or "clearly to reflect income." See I.R.C. § 482. The clear reflection of income standard is premised on an "arm's length transaction" which, for sales of tangible property, is determined in the regulations by reference to one of three pricing methods: comparable uncontrolled price, cost plus, and resale price. See *Treas. Reg. § 1.482-2(e)(2) to -2(e)(4)*. See generally R. RHOADES & M. LANGER, *INCOME TAXATION OF FOREIGN RELATED TRANSACTIONS* §§ 7.11-14 (rev. ed. 1981). If none of the three methods can reasonably be applied, or if some other method is clearly more appropriate, another pricing method can be used. See *Treas. Reg. § 1.482-2(e)(1)(iii)*. Such other method has been employed by at least one court to permit an "economically reasonable" reallocation. See *E. I. Du Pont de Nemours & Co. v. United States*, 608 F.2d 445, 456 (Ct. Cl. 1979), cert. denied, 445 U.S. 962 (1980). Such an expansive reading, however, has not followed in every case. See *United States Steel Corp. v. Commissioner*, 617 F.2d 942 (2d Cir. 1980).

¹⁷ See I.R.C. §§ 881(a), 882(a); *Treas. Reg. § 1.881-1(a) to -1(b)*.

¹⁸ See I.R.C. § 882(b).

¹⁹ See *Spermaceti Whaling & Shipping Co. S/A v. Commissioner*, 30 T.C. 618, 631 (1958), aff'd, 281 F.2d 848 (6th Cir. 1960). The point at which business within the United States becomes business within the United States appears to be a function of: (1) where production activities are located; (2) where management and control exists; (3) where distribution, purchasing, and financial functions take place; and (4) the relationship of the parties within the corporate structure, such as parent-subsidary or main office-branch office. See BITTKER

business" has meant progressive, continuous, or sustained activity.³⁰ While the Code does not define the activities necessary to constitute a trade or business, it does provide, subject to a minor exception,³¹ that personal services performed within the United States at any time during the taxable year constitute a U.S. trade or business.³² Since a corporation is not a natural person but a juridical entity, and thus can only act through its agents and employees, it can engage in a U.S. trade or business only through the activities of its employees or agents performing services on its behalf within the United States.³³ Consequently, regular and continuous activity, beyond mere clerical functions, performed by a foreign corporation's agents or employees in the United States probably would cause the corporation to be engaged in a trade or business within the United States.³⁴

The U.S. branch office of a foreign corporation that serves as a domestic purchasing office on a regular and continuing basis and which provides certain storage, managerial, and clerical functions with respect to property sold abroad by the corporation's foreign office is engaged in a U.S. trade or business. As a result, it is subject to direct U.S. federal income taxation on all of its income which is deemed "effectively connected" with its sales activities.

The income of a foreign corporation which is effectively connected with the conduct of a U.S. trade or business is taxed at

& EUSTICE, *supra* note 15, at ¶ 17.02. See generally Garelik, *What Constitutes Doing Business Within the United States by a Non-Resident Alien Individual or a Foreign Corporation*, 18 Tax L. Rev. 423 (1963).

³⁰ See Commissioner v. *Spermacet Whaling & Shipping Co., S/A*, 281 F.2d 646, 651-52 (6th Cir. 1960); *Lewellyn v. Pittsburgh, B. & L.E. R.R.*, 222 F. 177, 185-86 (3d Cir. 1915).

³¹ The exception is the performance of personal services for a foreign employer by a non-resident alien temporarily present in the United States for 90 days or less for compensation not exceeding \$3,000. See I.R.C. § 864(b)(1). See also *id.* § 861(a)(3).

³² See *id.* § 864(b); Treas. Reg. § 1.864-2(a).

³³ See *de Vegvar v. Commissioner*, 28 T.C. 1055 (1957), *acq.* 1958-1 C.B. 4. See also *Le Beau Tours Inter-American, Inc. v. United States*, 547 F.2d 9 (2d Cir. 1976), *cert. denied*, 431 U.S. 904 (1977); *Tipton & Kalmbach, Inc. v. United States*, 480 F.2d 1118 (10th Cir. 1973); *Commissioner v. Hawaiian Philippine Co.*, 100 F.2d 988 (9th Cir.), *cert. denied*, 307 U.S. 635 (1939); Rev. Rul. 60-65, 1060-1 C.B. 270.

³⁴ See *Lewellyn v. Pittsburgh, B. & L.E. R.R.*, 222 F. 177, 185 (3d Cir. 1915) (addressing the question of "engaged in trade or business" for state law purposes); Rev. Rul. 55-182, 1955-1 C.B. 77, 79. The activities and residence of shareholders not otherwise agents or employees of the corporation, however, is not a factor in determining whether the corporation is engaged in a U.S. trade or business. See *de Vegvar v. Commissioner*, 28 T.C. 1055, 1060-61 (1957). See also Rev. Rul. 55-182 *supra*.

regular U.S. corporate rates.²⁶ Effectively connected income may include U.S. source "fixed or determinable annual or periodical" (FDAP) income,²⁶ capital gains,²⁷ other U.S. source income,²⁸ and certain types of foreign source income.²⁹

Two statutory tests exist to determine whether U.S. source FDAP income or U.S. source capital gains (or losses) are effectively connected with the conduct of a U.S. trade or business by a foreign corporation without a U.S. office.³⁰ If either test is satisfied, the income or gain is effectively connected. The first is the "asset-use" test. If the income or gain is derived from assets used in, or held for use in, a U.S. trade or business conducted in the United States, it is effectively connected.³¹ The second is the "business activities" test. If the activities of a U.S. trade or business are a material factor in the realization of the income or gain, such income or gain is effectively connected.³² If a foreign corporation without a U.S. office is engaged in a trade or business in the United States, all other classes of its U.S. source income, such as income derived from the sale of inventory, are automatically classified as effectively connected income.³³

If a foreign corporation does not have an office or other fixed place of business in the United States, only U.S. source income is eligible for characterization as effectively connected income.³⁴ However, if a foreign corporation has an office within the United States, certain classes of foreign source income attributable to that office are treated as effectively connected income.³⁵ These classes of income include income derived from the sale of inventory

²⁶ See I.R.C. § 882(a)(1).

²⁷ See *id.* § 864(c)(2). FDAP income includes interest (other than original issue discount), dividends, rents, salaries, and annuities which are paid in predetermined amounts at periodic intervals. See *id.* § 881(a)(1); Treas. Reg. §§ 1.881-2(b), 1.1441-2(a).

²⁸ See I.R.C. § 864(c)(2).

²⁹ See *id.* § 864(c)(3). Section 864(c)(3) is a broad provision which draws in all other U.S. source income once a company is engaged in a trade or business within the United States. The income need not be effectively connected to any particular trade or business; it is deemed to be. See *id.*; Treas. Reg. § 1.864-4(b), Ex. 3.

³⁰ See I.R.C. § 864(c)(4).

³¹ See *id.* § 864(c)(2).

³² See *id.* § 864(c)(2)(A); Treas. Reg. § 1.864-4(c)(1), -4(c)(2).

³³ See I.R.C. § 864(c)(2)(B); Treas. Reg. § 1.864-4(c)(1), -4(c)(3).

³⁴ See I.R.C. § 864(c)(3); Treas. Reg. § 1.864-4(b).

³⁵ See I.R.C. § 864(c)(4)(A); Treas. Reg. § 1.864-5(a).

³⁶ See I.R.C. § 864(c)(4)(B)-(C); Treas. Reg. §§ 1.864-5, -6.

outside of the United States through a domestic office.³⁸

Certain items of U.S. source income, if not effectively connected with the conduct of a trade or business within the United States, are taxed on a gross basis (without the benefit of deductions) at a thirty percent rate, unless a lower treaty rate is applicable.³⁹ This category of income consists of U.S. source FDAP income⁴⁰ and certain miscellaneous forms of income, such as original issue discount and special types of income or gains otherwise accorded capital treatment.⁴⁰ In the usual case, the tax liability of a foreign corporation in respect of its U.S. source FDAP income is satisfied through withholding at the income source.⁴⁰

Historically, capital gains of a foreign corporation not effectively connected with a U.S. trade or business have not been subject to direct U.S. federal income taxation.⁴¹ Gain from the disposition of a United States real property interest after June 18, 1980, however, is now treated as being effectively connected with the foreign corporation's U.S. trade or business even if such corporation otherwise has no U.S. trade of business.^{41.1}

II. DIRECT TAXATION OF INTERNATIONAL SALES TRANSACTIONS

To avoid direct U.S. federal income taxation of its international sales income, a foreign corporation otherwise engaged in a trade or business in the United States must observe the following three constraints. First, the property it resells—inventory items or property held for sale in the ordinary course of business—must be sold to a foreign purchaser outside of the United States. If the property

³⁸ See I.R.C. § 864(c)(4)(B)(iii). Other types of foreign source income that may be treated as effectively connected income if attributable to a U.S. office include rents, royalties, and gains (or losses) from intangible property, see *id.* § 864(c)(4)(B)(i); and dividends, interest, and gains (or losses) from the sale or exchange of stocks or notes, bonds, or other evidences of indebtedness, and either derived from the active conduct of a banking business within the United States or received by a corporation the principal business of which is trading in stocks and securities for its own account. See *id.* § 864(c)(4)(B)(ii). Excluded from a foreign corporation's foreign source effectively connected income are dividends, interest, or royalties paid by a related corporation, see *id.* § 864(c)(4)(D)(i), and the subpart F income (as defined in § 952(a)) of a controlled foreign corporation. See *id.* § 864(c)(4)(D)(ii).

³⁹ See *id.* §§ 881(a), 894.

⁴⁰ See note 26 *supra*.

⁴¹ See I.R.C. § 881(a)(2)-(4).

⁴² See *id.* §§ 1441-1464.

⁴³ See *id.* § 881; Treas. Reg. §§ 1.881-1(b)(2) to -2(a)(1).

^{44.1} See I.R.C. § 897(a)(1).

were resold within the United States, the entire income derived from such sales would be U.S. source effectively connected income.⁴² Second, the foreign corporation's foreign office must participate materially in the sales. Third, the products must be sold for use, consumption, or disposition outside the United States. These three constraints are examined below. It should be noted that a domestic corporation, other than a Domestic International Sales Corporation, is subject to direct U.S. federal income taxation on its worldwide income, regardless of place of sale, participation of a foreign office, or place of consumption of the goods sold.

A. Source of Income

In general, the place of sale of personal property determines the source of the income derived from the sale.⁴³ Thus, "gains, profits, and income derived from the purchase of personal property within the United States and its sale or exchange without the United States" are treated as income from sources without the United States.⁴⁴ Though subject to varying interpretations by courts and the Internal Revenue Service in the past,⁴⁵ the Code and present regulations define the place of sale as the place where rights, title, and interest pass from the seller to the buyer.⁴⁶ Artificially arranged transactions designed primarily for tax avoidance purposes, however, may fall within another rule that requires consideration of all the factors of a transaction to determine "where the sub-

⁴² See *id.* §§ 861(a)(6), 882(a)(1).

⁴³ See *id.* §§ 861(a)(6), 862(a)(6).

⁴⁴ *Id.* § 862(a)(6). See Treas. Reg. § 1.862-1(a)(6). Similarly, personal property purchased without the United States and sold within the United States yields U.S. source income. See I.R.C. § 861(a)(6). Section 863(b)(2) (relating to allocation of income between U.S. and foreign sources) is only applicable if the foreign corporation is manufacturing property within the United States and selling it without.

⁴⁵ Compare *Compania General de Tabacos de Filipinas v. Collector*, 279 U.S. 306 (1929) and G.C.M. 8594, 1930-2 C.B. 354 with *Commissioner v. East Coast Oil Co. S.A.*, 85 F.2d 322 (5th Cir. 1934), *cert. denied*, 299 U.S. 608 (1936) and G.C.M. 25131, 1947-2 C.B. 85, *declared obsolete*, Rev. Rul. 69-45, 1969-1 C.B. 313.

⁴⁶ See Treas. Reg. § 1.861-7(c). The regulation provides in relevant part:

[A] sale of personal property is consummated at the time when, and the place where, the rights, title, and interest of the seller in the property are transferred to the buyer. Where bare legal title is retained by the seller, the sale shall be deemed to have occurred at the time and place of passage to the buyer of beneficial ownership and the risk of loss.

stance of the sale occurred."⁴⁷

B. Foreign Office and Material Participation

Assuming that the international sales take place outside the United States, income derived therefrom will be foreign source income. This income still may be subject to direct U.S. income tax, however, under the general Code rule that foreign source income derived from sales made through a foreign corporation's U.S. office is effectively connected with that corporation's U.S. trade or business.⁴⁸ An exception to this rule provides that income derived from the sale of inventory is not considered effectively connected if a foreign office of the foreign corporation participates materially in the sale.⁴⁹ Therefore, it is essential that the foreign corporation maintain a foreign office and that the office participate materially in the international sales transactions.

In determining whether a foreign corporation has an "office" in a particular country for U.S. tax purposes, United States rather than foreign law is controlling.⁵⁰ The regulations define an office (or other fixed place of business) in terms of physical space, agency, and activity.⁵¹ In determining whether a foreign corporation has a U.S. or foreign office, due regard must be given to all the facts and circumstances, particularly the nature of the corporation's business.⁵²

The general definition of an office is "a fixed facility . . . through which . . . a foreign corporation engages in a trade or business."⁵³ A fixed facility may be considered an office whether or not continuously used.⁵⁴ If a foreign corporation sometimes uses another person's office, however, that office will not be considered an office of the foreign corporation "if the trade or business activities of the . . . foreign corporation in that office . . . are relatively sporadic or infrequent, taking into account the overall needs and

⁴⁷ *Id.*

⁴⁸ See I.R.C. § 864(c)(4)(B).

⁴⁹ See *id.* § 864(c)(4)(B)(iii).

⁵⁰ See Treas. Reg. § 1.864-7(n)(3).

⁵¹ See *id.* § 1.864-7(b) to -7(d).

⁵² See *id.* § 1.864-7(a)(2).

⁵³ *Id.* § 1.864-7(b)(1).

⁵⁴ See *id.*

conduct of that trade or business."⁵⁵

The office of a dependent agent may be considered to be the office of a foreign corporation if the agent has and regularly exercises the authority to negotiate and conclude contracts in the name of the foreign corporation or if the agent has a stock of merchandise belonging to the foreign corporation from which orders are regularly filled.⁵⁶ However, the office of an independent agent, such as a general commission agent acting in the ordinary course of his business,⁵⁷ will not constitute an office of the foreign corporation irrespective of such agent's scope of authority and activity.⁵⁸

Special rules apply with respect to employee activity. If an employee regularly conducts business activities for his employer from an office of his employer, such facility will constitute an office of the foreign corporation.⁵⁹ If the employer does not maintain the office, however, the rules relating to dependent agents apply.⁶⁰

Once the existence of a foreign office is established, that office must participate materially in the international sales because material participation is the key element in determining whether a sale made through the U.S. office is attributable to that office or to the foreign office. If the foreign office participates materially in a sale made through the corporation's U.S. office, and the property is sold for use, consumption, or disposition outside the United States, then the U.S. office will not be considered to be a material factor in the realization of income from such sale.⁶¹ Hence, the income will not be effectively connected and will not be subject to direct U.S. federal income taxation.⁶² The regulations specifically provide that a foreign corporation's foreign office will be considered to have participated materially in a sale made through the corporation's U.S. office if the foreign office "actively participates in soliciting the order resulting in the sale, negotiating the contract of sale, or performing other significant services necessary for the consummation of the sale which are not the subject of a separate

⁵⁵ *Id.* § 1.864-7(b)(2).

⁵⁶ *See id.* § 1.864-7(d)(1).

⁵⁷ *See id.* § 1.864-7(d)(3)(i).

⁵⁸ *See id.* § 1.864-7(d)(2).

⁵⁹ *See id.* § 1.864-7(e).

⁶⁰ *See id.*; note 56 *supra* and accompanying text.

⁶¹ *See* Treas. Reg. § 1.864-6(b)(3)(i).

⁶² *See* I.R.C. §§ 864(c)(4)(B)(iii), 882(b).

agreement between the seller and buyer."⁶³ In other words, the foreign office must significantly contribute to, and must be an essential element in, the realization of the income derived from the international sales transaction.⁶⁴ The foreign office, however, is not required to be the "major," as opposed to a "material" factor in the production of such income.⁶⁵

The regulations provide that a foreign corporation's foreign office will not be considered to have participated materially in a sale solely by reason of any or all of the following activities:

- (a) the sale is made subject to the final approval of such office . . . ,
- (b) the property sold is held in, and distributed from such office . . . , (c) samples of the property sold are displayed (but not otherwise promoted or sold) in such office . . . , (d) such office . . . is used for purposes of having title to the property pass outside the United States, or (e) such office . . . performs merely clerical functions incident to the sale.⁶⁶

Therefore, for a foreign corporation's foreign office to be treated as having participated materially in international sales transactions, such office should solicit the sales order, negotiate the terms and contract of sale, and perform any other significant services necessary for the consummation of the sale. If the foreign corporation's foreign office performs all of these functions it will be considered to have participated materially in the international sales transaction,⁶⁷ whether or not the U.S. office conducts any or all of the following activities: purchasing the property sold in the international transaction; holding or distributing such property; displaying samples, but otherwise not promoting or selling such property; exercising final approval over the international sales; performing clerical functions incident to such sales; and effecting occasional and unsolicited casual sales (so long as the U.S. office is not held out as the place where such orders should be sent).⁶⁸

The regulations thus provide a format for avoiding characterization of income derived from international sales transactions as ef-

⁶³ Treas. Reg. § 1.864-6(b)(3)(i).

⁶⁴ See *id.* § 1.864-6(b)(1).

⁶⁵ See *id.*

⁶⁶ *Id.* § 1.864-6(b)(3)(i).

⁶⁷ See *id.*

⁶⁸ See *id.* § 1.864-6(b)(2)(iii).

fectively connected income. The emphasis of the regulations is on economic reality: The foreign office must make a significant economic contribution to the sale. Because such contributions may be evidenced only by objective criteria, it is essential to establish and promote the foreign office as a viable ongoing sales office.⁶⁹ A

C. *Country of Use, Consumption, or Disposition*

Assuming that a foreign corporation structures its international sales transactions so that the place of sale is not within the United States and its foreign office participates materially in each sale, a third constraint still must be observed to avoid direct U.S. income tax on international sales income. The property a foreign corporation sells must be sold for use, consumption, or disposition outside of the United States. If the property is sold for use, consumption or disposition within the United States, the income derived from such sales will be deemed to be effectively connected with a U.S. trade or business.⁷⁰

To determine whether property is sold for such ultimate use, consumption, or disposition outside of the United States, the regulations provide one set of rules applying to sales to unrelated persons and another set for sales to related persons. Personal property sold to an unrelated person is presumed to have been sold for use, consumption, or disposition in the property's country of destination.⁷¹ A temporary interruption in shipment occurring in a different country will not cause that country to be considered the country of destination.⁷² There is, however, an exception to the general rule. If at the time of sale the foreign corporation knew or should have known, from the facts and circumstances surrounding the transaction, that the property would not be used, consumed, or disposed of in the country of destination, the foreign corporation must determine the country of ultimate use, consumption, or dis-

⁶⁹ If a foreign corporation is found not to have a foreign office or such office is found not to have participated materially, the amount of income allocable to the foreign corporation's U.S. office and subject to direct U.S. federal income taxation cannot exceed the amount which would be treated as income from sources within the United States if the foreign corporation had sold the goods or merchandise in the United States. See I.R.C. § 864(c)(5)(C); Treas. Reg. § 1.864-6(c)(2). See also *id.* 1.864-6(c)(3), Ex. 2.

⁷⁰ See I.R.C. § 864(c)(4)(B)(iii); Treas. Reg. § 1.864-6(b)(3)(i).

⁷¹ See Treas. Reg. § 1.864-6(b)(3)(ii)(a).

⁷² See *id.*

position. If such determination is not made, the property is presumed to have been sold for ultimate use, consumption, or disposition in the United States.⁷³

Personal property sold to a related person is presumed to have been sold for use, consumption, or disposition in the United States unless the foreign corporation establishes the use made of the property by the related person.⁷⁴ If the foreign corporation can establish that the related corporation has disposed of the property, the rules with respect to sales to unrelated persons apply at the first stage of distribution at which a sale is made by a related person to an unrelated person.⁷⁵ A person is related to another person if either person owns or "controls" the other, either directly or indirectly, or if any third person(s) owns or "controls" both, either directly or indirectly. "Control" includes any kind of control, whether or not legally enforceable and however exercised or exercisable.⁷⁶

A foreign corporation that sells personal property to any person, related or unrelated, whose principal business consists of selling inventory to retail outlets outside of the United States may assume at the time of such sale that the property will be used, consumed, or disposed of outside the United States.⁷⁷

A special rule applies to sales by a foreign corporation of property which, because of its fungible nature, cannot be specifically traced through secondary purchasers to countries of ultimate use, consumption, or disposition. The rule applies only when "the [foreign corporation] knew, or should have known from the facts and circumstances surrounding the transaction, the manner in which the first purchaser disposes of property from the fungible mass."⁷⁸ In such instances, unless it establishes a different disposition as being proper, the foreign corporation must treat the property as sold for ultimate use, consumption, or disposition in those countries and to those other purchasers in the same proportions in which property from the fungible mass of the first purchaser is

⁷³ See *id.*

⁷⁴ See *id.*

⁷⁵ See *id.*

⁷⁶ See *id.*

⁷⁷ See *id.*

⁷⁸ *Id.* § 1.864-6(b)(3)(ii)(b).

sold in the ordinary course of business by such first purchaser.⁷⁹ No apportionment, however, is required to be made on the basis of sporadic sales by the first purchaser.⁸⁰

If a foreign corporation structures its international sales activities so that its sales take place without the United States, a foreign office participates materially in the sales, and the goods are sold for use, consumption, or disposition outside the United States, the income derived from such sales will be treated as foreign source income not effectively connected with a U.S. trade or business and thus not subject to direct U.S. income taxation. If, however, the foreign corporation fails to observe any of the above constraints with respect to its transactions, the income derived from such transactions will be treated as effectively connected income and will be subject to direct U.S. income taxation at regular corporate rates.

D. Caveats

If a foreign corporation plans to take advantage of the available tax benefits, it must conduct its affairs so that it is recognized as a viable corporation and the true earner of the income derived from its international sales transactions.⁸¹ In particular, it should hold annual shareholders' and directors' meetings; keep its own books, records, and bank accounts outside the United States; conduct its day to day business activities from an office outside the United States; file both foreign and domestic informational and tax returns where necessary; comply with all locally imposed exchange control regulations; conduct business in its own name and for its own benefit; and adhere to all other corporate formalities.⁸² If efforts are not made to constitute the foreign corporation as a viable and ongoing business entity, its income could be reallocated to those of its shareholders or affiliates which actually earned the

⁷⁹ See *id.*

⁸⁰ See *id.*

⁸¹ See notes 4-16 *supra* and accompanying text.

⁸² The foreign corporation should also have corporate stationery, invoices, telephone and telex numbers; take title to property in its own name and assume the benefits and burdens of ownership; negotiate all transactions in its own name; have its own employees and agents; enter into written employment contracts with its employees, containing reasonable compensation terms and covenants not to compete; and reimburse employees for expenses personally incurred in connection with their employment.

income.

In addition, any U.S. source income or effectively connected foreign source income of the foreign corporation may be subject to the accumulated earnings tax.⁵³ The accumulated earnings tax is an additional tax imposed on a corporation "formed or availed of for the purpose of avoiding the income tax with respect to its shareholders or the shareholders of any other corporation, by permitting earnings and profits to accumulate instead of being divided or distributed."⁵⁴ The tax may be applicable to a foreign corporation if any of its shareholders are subject to direct U.S. federal income tax as citizens or residents of the United States, or if its shareholders are foreign corporations in which a beneficial interest is owned, directly or indirectly, by any U.S. person.⁵⁵

If a foreign corporation derives no income subject to direct federal income taxation, it will not be subject to the accumulated earnings tax. A foreign corporation may become subject to the tax, however, if, for example, it derives effectively connected income with respect to its international sales transactions because its foreign office did not participate materially in the sales, or if it has U.S. source investment income.⁵⁶ Thus, if care is not taken in conducting a foreign corporation's international sales activities, its income could become subject not only to direct U.S. federal income taxation at the regular corporate rates but also to the accumulated

⁵³ See I.R.C. §§ 531-537; Treas. Reg. § 1.532-1(c).

⁵⁴ I.R.C. § 532(a). The rate of tax is 27½% of the first \$100,000 of a corporation's "accumulated taxable income" and 38½% of any amount of such income in excess of \$100,000. See *id.* § 531.

⁵⁵ See Treas. Reg. § 1.532-1(c). The tax, however, does not apply if the foreign corporation is either a personal holding company or a foreign personal holding company. See *id.* § 1.532-1(b). Neither the personal holding company nor the foreign personal holding company provisions apply if no group of five or fewer individuals owns more than 50% of the value of the foreign corporation's stock, either directly or indirectly. See I.R.C. §§ 542(a)(2), 552(a)(2).

Whether the accumulated earnings tax applies to publicly-held corporations is somewhat unclear. Compare *Trico Prods. Corp. v. McGowan*, 169 F.2d 343 (2d Cir.), *cert. denied*, 335 U.S. 899 (1948) and *Trico Prods. Corp. v. Commissioner*, 137 F.2d 424 (2d Cir.), *cert. denied*, 320 U.S. 799 (1943) with *Golconda Mining Corp. v. Commissioner*, 58 T.C. 139 (1972), *rev'd*, 507 F.2d 594 (9th Cir. 1974). The Service has taken the position that the tax is applicable to publicly-held corporations. See Rev. Rul. 75-305, 1975-2 C.B. 228.

⁵⁶ See Treas. Reg. § 1.535-1(b). If a foreign corporation is subject to the accumulated earnings tax but fails to file a U.S. tax return, neither the accumulated earnings credit nor any other deductions will be allowed in computing the accumulated earnings tax due. See *id.*

earnings tax on the undistributed amounts of its income.

III. INDIRECT TAXATION OF UNITED STATES SHAREHOLDERS

While a foreign corporation may escape direct U.S. taxation at the corporate level on its income earned from international sales transactions, United States persons who are shareholders of a foreign corporation may be exposed to U.S. tax on the corporation's earnings even though they have not received a dividend distribution. This can occur if the corporation is a controlled foreign corporation or a foreign personal holding company. The following material discusses the central elements of the controlled foreign corporation and foreign personal holding company provisions and how they might be avoided by a foreign corporation engaged in international sales transactions.

A. Controlled Foreign Corporation Status

A controlled foreign corporation (CFC) is any foreign corporation in which more than fifty percent of the total combined voting power of all classes of stock entitled to vote is actually or constructively owned by United States shareholders on any day during the corporation's taxable year.⁸⁷ A United States shareholder is any U.S. citizen, resident, partnership, corporation, estate, or trust that actually or constructively owns ten percent or more of the total combined voting power of a foreign corporation.⁸⁸ Thus, largely or wholly-owned foreign subsidiaries of domestic corporations and many "closely held" foreign corporations are classified as CFCs.

A CFC's United States shareholders are generally required to include the corporation's net subpart F income plus the corporation's increase in earnings invested in United States property in their gross income whether or not such amounts were actually distributed by the CFC.⁸⁹ Thus, care must be exercised in monitoring the

⁸⁷ See I.R.C. § 957. If the United States shareholders exercise effective control, the foreign entity may still be characterized as a CFC, even though the more than 50% ownership threshold may not be satisfied. See Treas. Reg. § 1.957-1(b)(2). See also *Koehring Co. v. United States*, 583 F.2d 313 (7th Cir. 1978).

⁸⁸ See I.R.C. §§ 951(b), 957(d). The constructive stock ownership rules governing subpart F appear in § 958. See *id.* § 958.

⁸⁹ See *id.* § 951(a). United States shareholders of a CFC are taxable only if: (1) the corporation is a CFC for an uninterrupted period of 30 or more days during the taxable year; and (2) such shareholders actually or constructively own stock in the corporation on the last day

CFC's activities so that its income is not characterized as subpart F income or as an increase in investments in United States property.

B. Amounts Includable in United States Shareholders' Income

The shareholders of a CFC that engages in international sales transactions have three areas of concern with respect to corporate earnings which may be includable in their income. These areas include two types of foreign base company income: foreign base company sales income and foreign personal holding company income.⁹⁰ The third area is the increase in investment in United States property.⁹¹

1. Foreign Base Company Income

The sale or purchase of personal property involving a related person may give rise to foreign base company sales income (FBCSI).⁹² A person is a related person if such person is one of the following: an individual, partnership, trust, or estate which controls the CFC; a corporation which controls or is controlled by the CFC; or a corporation which is controlled by the same person or persons that control the CFC.⁹³ For this purpose, "control" means the ownership, whether direct, indirect, or constructive, of more than fifty percent of the total combined voting power of the corpo-

during the taxable year in which it is a CFC. *See id.*

The amount of the increase in earnings invested in United States property that is includable in the shareholders' incomes is subject to certain limitations. *See, e.g., id.* §§ 952(c); 956(a)(1); 959(a)(2), (b). *See also* Rev. Rul. 76-538, 1976-2 C.B. 230 (subpart F income not again includable in the income of United States shareholders as an increase in investment in United States property).

Includable income is subject to direct U.S. federal income tax at rates up to 70%. *See* I.R.C. § 1. The rate is reduced to 50% for taxable years beginning after 1981. *See* Economic Recovery Tax Act of 1981, Pub. L. No. 97-34, § 101, 95 Stat. 172. Section 962 allows United States shareholders who are individuals to elect to be taxed at corporate rates. *See* I.R.C. § 962.

⁹⁰ Foreign base company income is in turn a component of subpart F income. *See* I.R.C. § 952(a)(2).

⁹¹ For purposes of this discussion, it is assumed that the CFC will not participate in international boycotts, pay illegal bribes, or engage in any other activities which produce subpart F income in any other categories. *See id.* § 952(a)(3)-(4).

⁹² *See id.* § 954(d).

⁹³ *See id.* § 954(d)(3).

ration.⁹⁴ If neither the manufacturing corporation nor the purchasing foreign corporation is a related party and the "branch rule"⁹⁵ does not apply, the CFC will not realize FBCSI from its international sales transactions.

Generally, a CFC may derive FBCSI where a related person is any of the following: (1) the person from whom the CFC purchases the property which it sells; (2) the person on whose behalf the CFC sells the property; (3) the person to whom the CFC sells the property which it purchases; or (4) the person on whose behalf the CFC purchases the property.⁹⁶ However, even if a related person is involved in the sales transaction, FBCSI will not arise in the following three situations: if the personal property is considered to be manufactured, produced, grown, or extracted within the country in which the CFC is created or organized;⁹⁷ if the property is sold for use, consumption, or disposition within that country;⁹⁸ or if the CFC manufactures or produces the property.⁹⁹ These general principles for recognition and nonrecognition of FBCSI also apply within the context of the "branch rule."

Although rarely, if ever, raised by auditing agents because of its esoteric and complex nature, the "branch rule" must also be considered in planning for international sales transactions. The rule, contained in section 954(d)(2) of the Code¹⁰⁰ and delineated more explicitly in the regulations,¹⁰¹ may cause a CFC's selling or purchasing branch located outside of the CFC's country of incorporation to be deemed a wholly-owned subsidiary of the CFC and therefore a related person with respect to the CFC.¹⁰² The branch rule applies if, by reason of the separation of selling or purchasing activities through the use of a branch, substantial tax savings are

⁹⁴ See *id.* Because the relevant ownership rules are broad, see *id.* § 958, care must be taken in determining whether a corporate buyer or seller is related. Note that non-U.S. individuals or entities may be related persons. See Treas. Reg. § 1.954-1(e).

⁹⁵ See I.R.C. § 954(d)(2). See also notes 100-09 *infra* and accompanying text.

⁹⁶ See I.R.C. § 954(d)(1). In the last situation, no sale of the property by the CFC is required. Presumably this situation arises when a CFC receives commissions as a purchasing agent for a related person.

⁹⁷ See Treas. Reg. § 1.954-3(a)(2).

⁹⁸ See *id.* § 1.954-3(a)(3).

⁹⁹ See *id.* § 1.954-3(a)(4).

¹⁰⁰ I.R.C. § 954(d)(2).

¹⁰¹ See Treas. Reg. § 1.954-3(b).

¹⁰² A separate rule applies to manufacturing branches. See *id.* § 1.954-3(b)(1)(ii).

obtained in the CFC's home jurisdiction.

To determine whether the requisite tax savings exist, the effective rate of tax imposed on the income allocated to a branch under certain rules is compared to the tax rate that would be imposed on such income if it were taxed in the CFC's country of incorporation. If a branch's income is effectively taxed at a rate less than ninety percent of, and at least five percentage points less than, the rate of tax which would have been imposed if the income were sourced in the CFC's country of incorporation, the requisite tax savings theoretically exist, and the branch could be deemed a separate, wholly-owned subsidiary of the CFC for purposes of determining FBCSI.¹⁰³ In the case of multiple branches, the comparison is applied to each branch separately.¹⁰⁴

The branch rule does not apply if the CFC is incorporated in a country with no income tax, as no tax savings would result from establishing a purchasing or selling branch outside that country. Accordingly, absent other pertinent considerations, these "tax haven" jurisdictions probably should be selected if branching activities are contemplated. For example, the Bahamas, Bermuda, the Cayman Islands, and Vanuatu currently impose no income taxes and may be suitable as a CFC's home jurisdiction. In contrast, Costa Rica, Hong Kong, Liberia, Panama, and many other jurisdictions, although possibly preferable for other reasons, may well cause branch rule difficulties because their varying income tax systems may produce differences in effective rates of tax which satisfy the regulatory criteria of the branch rule, even though they are not extraterritorial in effect for revenue purposes.

Assuming the branch rule is applicable, income derived by a sales branch ultimately will constitute FBCSI only if sales are made for use, consumption, or disposition outside the country in which the sales branch is located.¹⁰⁵ Similarly, a branch located outside the country of incorporation and utilized only for purchasing property from either related or unrelated parties on behalf of the CFC for resale by the selling branch may, by operation of the branch rule, be deemed to derive FBCSI from commission or service fees in connection with such purchases, only if it purchases

¹⁰³ See *id.* § 1.954-3(b)(1)(i).

¹⁰⁴ See *id.* § 1.954-3(b)(1)(i)(c).

¹⁰⁵ See *id.* § 1.954-3(b)(2)(ii)(e), -3(a)(3).

property manufactured outside the country in which such purchasing branch is located.¹⁰⁶

The branch rule is applied solely for the purpose of determining FBCSI of the CFC, which forms one component of subpart F income to be included in the income of United States shareholders.¹⁰⁷ The provisions of sections 954(b)(3) and 954(b)(4) of the Code apply separately to each branch and to the remainder of the CFC.¹⁰⁸ For all other purposes, the branches are not treated as separate corporations.¹⁰⁹

A CFC engaged in international sales activities can take several steps to eliminate or minimize FBCSI. It should refrain from dealing with, or on behalf of, related persons, except when the property purchased or sold is manufactured or is sold for ultimate use, consumption, or disposition within the country in which the CFC is organized. If the CFC intends to establish selling or purchasing branches, it should be located in a jurisdiction with no or very low income tax so that its branches will not be deemed to be wholly-owned subsidiaries and related parties under the branch rule.

A second category of foreign base company income is foreign personal holding company income (FPHCOI).¹¹⁰ This is generally income of a passive nature such as dividends, interest, or gain from the sale or exchange of stock or securities.¹¹¹ Although an international sales company ordinarily will derive its income primarily from its sales activities and reinvest its profits in the business, care must be taken in monitoring income from investments of excess cash.

In the event that a CFC does receive FBCSI or FPHCOI, it may be able to reduce or eliminate the tax consequences of such income under the "10-70 rule"¹¹² or under the provisions relating to foreign corporations not availed of to reduce tax.¹¹³ The 10-70 rule excludes de minimis amounts of foreign base company income, such as FBCSI or FPHCOI, from classification as subpart F in-

¹⁰⁶ See *id.* § 1.954-3(b)(2)(ii)(e), -3(a)(2).

¹⁰⁷ See *id.* § 1.954-3(b)(3).

¹⁰⁸ See *id.*

¹⁰⁹ See *id.*

¹¹⁰ See I.R.C. § 954(c).

¹¹¹ See *id.*

¹¹² See *id.* § 954(b)(3).

¹¹³ See *id.* § 954(b)(4).

come, if, in the aggregate, the foreign base company income amounts to less than ten percent of a CFC's gross income. Conversely, foreign base company income in excess of seventy percent of a CFC's gross income causes all of the gross income for that year to be treated as subpart F income.¹¹⁴

For example, assume that a CFC derives \$91 of income which is not foreign base company income and \$9 of FBCSI from its transactions in a taxable year. None of its income in that year is treated as subpart F income.¹¹⁵ Conversely, assuming \$100 of gross income, if \$71 is FPHCOI, then all of the CFC's gross income for the taxable year, including the \$29 of other income, is treated as subpart F income.¹¹⁶ If a CFC derives an amount of foreign base company income which is ten percent or more of its gross income, but less than seventy percent, then a proportionate amount of income is treated as subpart F income after reduction by the amount of deductions properly allocable thereto.¹¹⁷

In addition, a CFC can reduce or eliminate its FBCSI, if any, if the countries in which it is incorporated and in which its branch or branches are set up are chosen so as to fall within the exception regarding foreign corporations not availed of to reduce tax.¹¹⁸

A CFC and its shareholders will not be subject to both a direct and an indirect U.S. federal income tax on the same income because U.S. source business income derived by a CFC is excluded from classification as subpart F income¹¹⁹ and because foreign source income effectively connected with the conduct of a U.S. trade or business which is classified as FBCSI or FPHCOI is subject to taxation indirectly under subpart F but is not directly taxed to the CFC.¹²⁰ Thus, if the CFC either does not maintain a foreign office or the foreign office does not materially participate in the international sales transactions, and either the CFC deals with re-

¹¹⁴ See *id.* § 954(b)(3). With respect to sales transactions, gross income means gross receipts minus cost of goods sold. See Treas. Reg. § 1.952-2(c)(4).

¹¹⁵ See I.R.C. § 954(b)(3)(A).

¹¹⁶ See *id.* § 954(b)(3)(B).

¹¹⁷ See *id.* § 954(a)(1)-(2). This example assumes that none of the other exclusions, exceptions, or limitations of subpart F are applicable. See, e.g., *id.* §§ 951(a)(1), (d); 952(b)-(d); 954(b)(2), (4).

¹¹⁸ See *id.* § 954(b)(4). See also Treas. Reg. § 1.954-1(b)(4); Rev. Rul. 72-357, 1972-2 C.B. 456; Pvt. Ltr. Rul. 7850033 (Sept. 14, 1978).

¹¹⁹ See I.R.C. § 952(b).

¹²⁰ See *id.* § 864(c)(4)(D)(ii).

lated persons or the branch rule applies, the priority rules eliminate the threat of double taxation that would otherwise result. However, the deferral of tax on the CFC's profits is lost.

2. Investments in United States Property

The United States shareholders of a CFC may be taxable on the increase in the CFC's investment of earnings in United States property.¹²¹ The taxable increase is computed by comparing the amount of the United States property investment at the end of the current year with the corresponding amount at the end of the preceding year.¹²² A CFC may increase its investment in United States property without tax consequence only so long as it does not own or hold such property on the last day of its taxable year.¹²³

Because United States property includes tangible property located in the United States,¹²⁴ a CFC should avoid owning or being treated as owning such property. Therefore a CFC should lease rather than purchase its U.S. office and equipment. The office lease should not be for an unduly long term in order to insulate the lease from classification as realty.

United States property also includes stock or obligations of a United States shareholder of the CFC, as well as stock or obligations of a domestic corporation if, immediately after acquisition by the CFC, twenty-five percent or more of the domestic corporation's voting stock is owned or is considered as owned, by United States shareholders of the CFC.¹²⁵ Thus a CFC should not invest in or make loans to related United States persons or guarantee or pledge property to secure an obligation of one or more of its shareholders.¹²⁶

¹²¹ See *id.* § 951(a)(1)(B).

¹²² See *id.* § 956(a). The amount of the increase in investment in United States property that is includable in the income of a CFC's United States shareholders is limited to an amount which "would have constituted a dividend" if distributed. See *id.* § 956(a)(1). Further, any amounts previously included in a United States shareholder's income under subpart F are not required to be included again as an investment in United States property. See *id.* § 959(a).

¹²³ See *id.* § 956(a)(1). See also Treas. Reg. § 1.956-1(a), -1(c)(2), Ex. 1.

¹²⁴ See I.R.C. § 956(b)(1)(A).

¹²⁵ See *id.* § 956(b)(1)(B)-(C), (2)(F). See also *id.* § 958 (rules for determining stock ownership).

¹²⁶ See *id.* § 956(c). A United States shareholder, however, might pledge his stock in a CFC to secure his or her personal indebtedness without adverse consequences under § 956

United States property does not include the following items: (1) obligations of the United States,¹²⁷ states, municipalities, or U.S. possessions;¹²⁸ (2) money;¹²⁹ (3) deposits with persons carrying on the banking business;¹³⁰ (4) property located in the United States which is purchased in the United States for export to or use in foreign countries;¹³¹ (5) obligations of United States persons arising in connection with the sale or processing of property if the amount of such obligation never exceeds an amount which is ordinary and necessary to carrying on the trades or businesses of the transacting parties;¹³² and (6) stock or obligations of a domestic corporation which is neither a United States shareholder of the CFC nor a domestic corporation twenty-five percent or more of the total combined voting power of which, immediately after the acquisition of its stock by the CFC, is owned or is considered as owned by the United States shareholders in the aggregate.¹³³ Thus, a CFC may

Compare *Ludwig v. Commissioner*, 68 T.C. 979 (1977), *nonacq.* 1978-2 C.B. 4 with Rev. Rul. 76-125, 1976-1 C.B. 204. But see Treas. Reg. § 1.956-2(c)(2) (a pledge made after Sept. 8, 1980 by a shareholder of at least 25 of the total combined voting power of all classes of stock entitled to vote is considered an obligation of the corporation under § 956(c)).

¹²⁷ See I.R.C. § 956(b)(2)(A).

¹²⁸ See Rev. Rul. 72-454, 1972-2 C.B. 457; Rev. Rul. 71-14, 1971-1 C.B. 218.

¹²⁹ See I.R.C. § 956(b)(2)(A).

¹³⁰ See *id.* Deposits that serve directly or indirectly as a pledge or guarantee for an obligation of a United States person are treated as United States property. See Treas. Reg. § 1.956-2(b)(1)(i), -2(c)(2). If the amount deposited is subsequently loaned to a CFC's shareholders in a "back-to-back" transaction, however, it may be deemed an investment in United States property. See Rev. Rul. 76-192, 1976-1 C.B. 205.

To the extent that income derived from the deposits is not effectively connected with a U.S. trade or business, it will be treated as foreign source income not subject to direct U.S. federal income taxation. See I.R.C. § 861(a)(1)(A), (C).

¹³¹ See I.R.C. § 956(b)(2)(B); Treas. Reg. § 1.956-2(b)(1)(iv).

¹³² See I.R.C. § 956(b)(2)(C). Whether an amount is ordinary and necessary is determined by considering all the facts and circumstances. See *Greenfield v. Commissioner*, 60 T.C. 425 (1973), *aff'd*, 506 F.2d 972 (5th Cir. 1975); Treas. Reg. § 1.956-2(b)(1)(v).

An "obligation" of a United States person, other than an indebtedness arising in connection with a sale or processing of property, does not include an indebtedness which is collected within one year from the time it is incurred, or matures within one year from the time it is incurred but is not collected within such period solely because the debtor is unwilling or unable to pay. See Treas. Reg. § 1.956-2(d)(2)(ii). A failure to collect an indebtedness within the one year period will not be attributable to inability or unwillingness on the part of the debtor to make payment unless the creditor clearly establishes that he has made reasonable efforts to collect the indebtedness within the year. See *id.* See also *Dougherty v. Commissioner*, 60 T.C. 917 (1973). Abuse of this technique may yield unfavorable results.

¹³³ See I.R.C. § 956(b)(2)(F). U.S. source interest and dividends will be subject to withholding at the source under § 1442 unless effectively connected with the conduct of the

own any of these types of property at the end of the taxable year without adverse tax consequences to its United States shareholders.

B. Foreign Personal Holding Company Status

The applicability of the foreign personal holding company (FPHCO) provisions is contingent upon satisfying both an ownership and an income test. The ownership test is met if more than fifty percent in value of the outstanding stock of a foreign corporation is owned directly or indirectly at any time during the taxable year by or for not more than five individuals who are citizens or residents of the United States.¹³⁴ The income test is met if at least sixty percent of a foreign corporation's gross income qualified as FPHCOI.¹³⁵ If the corporation was a FPHCO in a prior year, under certain circumstances fifty percent FPHCOI is sufficient to meet the income test in subsequent years.¹³⁶

If a foreign corporation meets both the ownership and income tests, its United States shareholders¹³⁷ will be deemed to have received a dividend equal to the amount of the corporation's undistributed FPHCOI.¹³⁸ Such income is subject to U.S. federal income taxation at rates up to seventy percent (fifty percent for years beginning after 1981).¹³⁹ A corporation can avoid the FPHCO rules if it maintains a high level of gross income from its international

CFC's U.S. trade or business. The impact of U.S. withholding taxes and the potential inclusion of the interest and dividends in a United States shareholder's gross income under the controlled foreign corporation or foreign personal holding company provisions must be considered before making any such investment. Moreover, if the CFC is not a foreign personal holding company, such income could cause it to qualify as a personal holding company if the stock ownership requirement is met. See notes 134-39 *infra* and accompanying text.

¹³⁴ See I.R.C. § 552(a)(2). See also *id.* § 554 (constructive ownership rules).

¹³⁵ See *id.* § 552(a)(1).

¹³⁶ See *id.* Note that the definition of FPHCOI is broader under the FPHCO provisions than it is for purposes of subpart F. See *id.* § 954(a).

¹³⁷ For purposes of the FPHCO provisions, a United States shareholder is a citizen or resident of the United States, a domestic corporation, a domestic partnership, or an estate or trust which is a shareholder in a FPHCO. See *id.* § 551(a).

¹³⁸ See *id.* §§ 551-552. Undistributed FPHCOI is defined in § 556 to be the taxable income of the FPHCO after applying the adjustments enumerated in § 556(b) and subtracting the deduction allowed by § 561 for dividends paid. See *id.* § 556.

The accumulated earnings tax provisions do not apply to foreign personal holding companies. See *id.* § 532(b)(2).

¹³⁹ See *id.* § 1; note 89 *supra*.

sales activities. The rules can present problems, however, if sales activities decline, and the corporation has a high level of investment income. The monitoring of income sources should be undertaken to ensure that a foreign corporation does not qualify as a FPHCO.

IV. CONCLUSION

A controlled foreign corporation can be utilized to achieve deferral of U.S. income taxation. The central elements for successful deferral are the creation of a viable corporation, the minimization of effectively connected foreign source income, and the avoidance of subpart F income and the foreign personal holding company rules. Deferral can be achieved by careful planning patterned after the guidelines set forth by the courts and the regulations.

196A-1774-179

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/may

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 22 1963	
FBI - NEW YORK	

[redacted] :ets

b6
b7C

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

TO [redacted]

b3

GREETINGS:

WE COMMAND YOU that all business and excuses being laid aside, you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, on the [redacted] to testify and give evidence in regard to an alleged violation of;

b3

and not to depart the Court without leave thereof, or of the United States Attorney, and that you produce at the time and place aforesaid the following:

b3

And for failure to attend and produce the said documents you will be deemed guilty of contempt of Court and liable to penalties of law.

Dated: New York, N.Y.
October 24, 1983

RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Burghardt
Clerk.

NOTE: REPORT AT ROOM 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

[redacted]
Assistant United States Attorney
Telephone: [redacted]

b6
b7C

Room [redacted]
One St. Andrew's Plaza
New York, New York 10007

RJM:mpm

1

NY 196A-1774

On September 28, 1983, [redacted] advised Special Agent (SA) [redacted] of the New Rochelle Metropolitan Resident Agency (NRMRA), New York Division, as follows:

b6
b7C
b7D

Source advised that [redacted]

[redacted]

b6
b7C
b7D

Source advised that this [redacted]

[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-1-01 BY SP5/JC (RAN)

196A-1774-180

1363

Clarendon Official Says Credit Access Is Being Reduced

By ROGER LOWENSTEIN
Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—Marc Rich & Co. AG's former U.S. unit has been losing access to some of its bank credit over the past several months because of a federal criminal investigation, the unit's chief financial officer said in federal court here.

Peter Ryan said the company, Clarendon Ltd., had been advised by Chase Manhattan Bank that the bank wants "a very substantial reduction" in its credit line to the company.

In addition, he said, Credit Lyonnais has indicated a desire "to have Clarendon repay its debt." Mr. Ryan also confirmed previous reports that Chemical Bank "severed its relationship" with Marc Rich and its then U.S. unit last January.

Mr. Ryan said the commodity trading

firm, whose independence from Marc Rich is being contested by the government, has been seeking to obtain a new \$250 million revolving credit from all of its banks to replace its credit lines with individual banks, which also total \$250 million. So far, he said, Clarendon hasn't been able to obtain the revolving credit.

To pacify its bankers, he said, the company has recently paid down about \$100 million of its debt. He didn't say how much debt remained outstanding.

Mr. Ryan's testimony provides further evidence of the deepening financial problems of Clarendon. The company is currently being assessed by the Internal Revenue Service for \$90 million. Though Clarendon is contesting that charge—the hearing yesterday was part of that dispute—the IRS has already seized \$22 million from the company. Clarendon has said that if the IRS seizes the full amount the firm won't be able to continue its business.

AS reported, Marc Rich, its two principals, and its former unit were indicted last month for tax evasion, racketeering, fraud and other charges.

Mr. Ryan said Clarendon has been struggling to retain its bankers since early in 1983, long before its troubles with U.S. investigators became public. Late in 1982, he said, the company warned its banks that it

anticipated an indictment after learning of a federal grand jury investigation.

"We were concerned that other banks might sever their relationships with us," Mr. Ryan said. "Banks don't like surprises."

Mr. Ryan said that Clarendon could continue doing business within its current credit lines and that the firm's solvency wasn't threatened until the IRS levied its assessment. However, under pressure from the indictment, constrained credit and the IRS levy, Clarendon's business has nearly ground to a halt.

A restriction of credit from Chase would be a severe blow to Clarendon. Chase has been Marc Rich's lead bank since the company was formed in 1974. Mr. Ryan was Chase's chief commodity lending officer before joining Marc Rich in 1980.

The hearing is scheduled to be continued Monday.

Nissan on British Site

TOKYO—Katsuji Kawamata, chairman of Nissan Motor Co., has withdrawn his opposition to building an auto plant in Britain. Asahi Shimbun, a Japanese newspaper, said. The chairman had opposed the long-debated project. Nissan has said it will decide on the project by the end of the year.

This announcement

is to buy any of the

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/2/01 BY SP5-JC/amy

196A-1774-181

SEARCHED ☒ INDEXED ☒
SERIALIZED ☒ FILED ☒
1983
FBI - NEW YORK

Business Day

10/29/85

The New York Times

Outlining The Charges Against Marc Rich's Companies

The Government's case
against Marc Rich as
outlined in the
Federal indictment

GENERATING ILLEGAL PROFITS

The Government contends that Marc Rich International (now Clarendon Ltd.), a United States-based oil trading company, sought to circumvent Government regulation of oil prices with the aid of two Texas-based oil trading concerns, both now bankrupt.

The two Texas companies, Listo Petroleum and West Texas Marketing, bought price-controlled oil from Marc Rich. They then promised to sell the same oil back to Marc Rich as oil that was not subject to price controls — at a fraction of the price it would command on world markets.

In order to accomplish this, West Texas Marketing and Listo, acting separately, bought and sold the controlled oil several times, obscuring its origin. Oil that was first described as price-controlled, and therefore cheap, came to be described as decontrolled, and therefore expensive.

RICHCO SUGAR

Peter F. Ryan, chief financial officer of Clarendon Ltd. and president of Richco Sugar. Both companies are a part of the Marc Rich group and are at 650 Fifth Avenue.



HIDING THE PROFITS

However, by buying the oil back from the Texas concerns at an artificially low price and selling it for much more, Marc Rich would have generated profits that were subject to United States taxes and that might have attracted Government scrutiny.

Therefore, Marc Rich International arranged to buy the oil at a low price but to be billed for it at a much higher price. Under this bookkeeping procedure, the profits accrued to the two Texas companies.

MOVING THE PROFITS OUT OF THE COUNTRY

According to the indictment, the first step in moving the profits abroad involved a series of sham transactions, in which Marc Rich & Company A.G., parent company of Marc Rich International, sold foreign crude oil to the two Texas companies. Those companies simultaneously sold crude oil at a loss to Marc Rich & Company's

Panamanian subsidiaries, Rescor Inc. and Highams Consultants.

These losses had the effect of depleting the "pot" of profits held by West Texas Marketing and Listo Petroleum and transferring them to Marc Rich & Company in Switzerland, beyond the reach of United States taxes.

Rich Case Snarles Clarendon

I.R.S. Freeze Hurts Trader

By YLA EASON

The décor is bright and bold but the mood is somber at the offices at 650 Fifth Avenue of Clarendon Ltd., the commodity trading concern once owned by Marc Rich, who is now a fugitive.

At least 30 employees have received pink slips and many of the remaining 140 or so had concluded by yesterday that their days were also numbered.

"Oh, lots of people have gone," said one employee, shaking his head in disbelief. For Clarendon was once a bustling company, with assets of at

least \$1 billion last March, a vital part of the Marc Rich's \$10 billion international commodity trading network. Now, as a result of its much publicized prosecution on Federal charges of tax evasion, the Internal Revenue Service controls all of the company's money.

Late Tuesday, Federal District Judge Richard Owen, in Manhattan, upheld the I.R.S.'s move to freeze all of Clarendon's assets. Federal tax officials said they were afraid they would not be able to collect the \$90.4 million in back taxes they calculated that Clarendon owed as a result of what they charged were illegal oil profits made by the company in 1980 and 1981.

The revenue service, therefore, on Sept. 30, issued a "jeopardy assessment" against Clarendon. The judge agreed that the company, whose assets dropped to \$281 million, from \$1 billion, in four months, was attempting to place its funds beyond the reach of the Government.

Peter F. Ryan, Clarendon's chief financial officer and president of Richco Sugar, a trading company owned by the same group of people who own Marc Rich A.G. in Switzerland, denied this and told the court that "only because of the jeopardy assessment" was his company "in any peril of insolvency." And a Clarendon trader who did not want to be identified said inside the courtroom "If this jeopardy assessment goes through, we're out of business."

The problems of Clarendon, the domestic arm of the Marc Rich network, were the result of a 56-page, 51-count indictment against Marc Rich and his companies for tax evasion, racketeering and trading with Iran at a time when a boycott was in effect. According to the Government, it all began with an elaborate scheme to avoid price controls on crude oil, a product on which Mr. Rich built his trading career.

In 1973 the Emergency Petroleum

Continued on Page 38

Marc Rich Oil Trading Case Ensnares Clarendon

Continued From First Business Page

Allocation Act was created. It set price controls on all crude oil produced in or imported into the United States. The legislation also allowed the Department of Energy to limit the price that could be charged for domestic crude oil.

Under the regulations, the price varied for different categories of oil, based on the type of well from which the oil was pumped and when the well began production. It was these categories in the regulation that Mr. Rich exploited, the Government charges.

The Energy Department set up three oil groups — old, new and stripper. Old oil was any crude oil from a well at or below a 1972 level of production. Crude oil discovered since 1973 or oil from wells pumping in excess of the 1973 production level was labeled new. Stripper oil, the highest priced, was oil from wells producing an average of less than 10 barrels a day.

Only the stripper oil was free from price regulations. The Government asserts that the Marc Rich network in effect reclassified the old and new oil as stripper oil and sold it at premium, uncontrolled prices.

\$15 to \$20 More a Barrel

The profit in relabeling oil was clear. Stripper oil could be sold at world market prices, at times as much as \$15 to \$20 more a barrel than old and new oil. The domestic company, Marc Rich International, realized as much as \$100 million in unreported profits from this sham, the Government charges.

As a reseller, Marc Rich International bought and sold oil without processing it into products such as gasoline or heating oil. Shortly before Sept. 1, 1980, the Department of Energy told the company and the other resellers that their average markup on old and new oil would be limited to 20 cents a barrel. It was this limit, the Government says, that plunged the Marc Rich companies into the deceptive practices described in the indictment.

To get around the limit, the Government says, two oil-trading concerns in Texas — both now bankrupt — were enlisted to form a trading network that was sufficiently convoluted — the Government calls it a daisy chain — to make the relabeling of price-controlled oil possible.

"This was not understood to be a common practice in the industry," said John Rathje, an attorney at the Atlantic Richfield company in Los Angeles. "Obviously it was a possible practice if someone wanted to violate the law. But it's like any law that's being violated — there was no feeling that this was widespread or intelligent."

Sold Several Times

Nevertheless, the Government says, the original brokerage concern, Marc Rich International, would sell low-priced, controlled oil to a member of the group that would then sell it again several times. At the end of the chain, Marc Rich International would buy back the same oil that had been sold into the chain, except that it was by then described as stripper oil. The

company could then sell this stripper oil at the higher market prices and reap enormous, but illegal, profits.

"I don't think it's easy to change a barrel of oil from controlled to uncontrolled," said Martin Volandt, senior vice president, supply and coordinating, with Atlantic Richfield. He added that the entire accounting procedure would have to be altered since the oil was accounted for beginning at the well from which it originated.

The Government says that the two Texas crude oil resellers, Listo Petroleum in Houston and West Texas Marketing of Abilene, were utilized to hide profits from the Department of Energy and the I.R.S. According to the indictment, the profits accumulated in what the Marc Rich network referred to as the "pot." Each company had its own pot, the Government says, which at one point totaled \$70 million.

Billed for Stripper Oil

The indictment charges that West Texas and Listo emptied their pots by billing Marc Rich International, now Clarendon, for high-priced stripper oil. Marc Rich would have paid a lower, controlled price for the oil it was selling into the Texas daisy chain. But, the Government charges, that the two Texas brokers would kick back to Rich the difference in prices.

The indictment also says that periodically the profits that had been transferred in this way would be moved out of the United States through a series of false transactions to foreign bank accounts of Marc

Trading Halted By Bullion Unit

LONDON, Oct. 23 (Reuters) — Richco Bullion, a London bullion and foreign exchange dealer and part of the Marc Rich group, is withdrawing from trading as a result of the legal proceedings brought against the parent company, a Richco spokesman said today. Its closing follows the shutdown of Richco Capital, an affiliated dealer in New York.

The spokesman said that the Rich group would continue trading in oil and other metals through its London office, but that some press treatment of the Rich developments had destroyed the reputation which bullion dealing had to be based.

Rich's Switzerland-based parent company, Marc Rich A.G., and its wholly owned subsidiaries, Rescor Inc. and Highams Consultants, both in Panama.

The Government says, for example, that false invoices that included the names of the oil tankers supposedly involved would show that Marc Rich A.G. had sold crude oil to West Texas Marketing at uncontrolled world prices. On the same day, West Texas Marketing would ostensibly

sell the same oil to Rescor for \$3 a barrel less than West Texas paid for the oil.

From October 1980 to May 1981, the Government charges, more than \$23 million was moved abroad to Marc Rich A.G. and its subsidiaries through such transactions with West Texas. During the same time period, another \$47 million was moved abroad through a similar arrangement with Listo, the Government says. Another \$31 million was moved out of the country, the Government adds, when Marc Rich A.G. invoiced Marc Rich International for an oil transaction that never occurred.

Trading Agent Indicted

Clyde Meltzer, the Listo trading agent at the time and now an employee of Clarendon, was indicted. He is expected to stand trial in January. Dave Snodgrass, an attorney with Gardere Wynne & Jaffee in Dallas and the trustee for West Texas Marketing, said that while he was not around when things happened, he was told by former officers of the company that "none of that happened."

In any case, Stanley C. Ruchelman, partner in the accounting firm of Touche Ross & Company, said this case seemed to be unusual because "the Government is looking at a pattern of intercompany dealing to allege that the dealings rose to a level of intent to defraud the Government of its rightful tax." He added that the indictment charged "that the fraud was so blatant that it wasn't civil tax fraud, it was criminal tax fraud."

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SPS-SC/mmm

196A-1774-182

OCT 31 1983

TO: DIRECTOR, FBI

196A-2848
Bureau File Number

FROM: SACX ADIC, NEW YORK
SUBJECT: MARC RICH-FUGITIVE;
PINCUS GREEN-FUGITIVE;
MARC RICH & CO. A.G.;

196B-1774
Field Office File Number

M-1

Squad or RA Number

(CON'T ON PAGE 2)

- ☐ - X if a joint FBI/DEA (or other Federal Agency **) operation.
☐ - X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Rating Usage
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveill. Sqd Asst
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation
						21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
	A	B	C					
	FBI Arrests -							
	FBI Locates -							
Number of Subjects of FBI Arrests Who Physically Resisted _____								
Number of Subjects of FBI Arrests Who Were Armed _____								
Criminal Summonses _____ Subpoenas Served _____								
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters				
Hostages Held By Terrorists _____; All Other Hostage Situations _____				Amount of Suit		Government Defendant		Government Plaintiff
				Settlement or Award				
								Enter AFA Payment Here

F. Final Judicial Process: Judicial District _____ State _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	

Subject 2 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	

Subject 3 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: Pursuant to

196A-1774-183

2 - Field Office 1 - (66-8492)

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

MEB:jf (5)

196A-1774

1983

FBI/DOJ

Property Type Codes*

Code No	Description
1	Cash (U.S. and foreign currency)
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)
7	Jewelry (including unset precious and semiprecious stones)
8	Precious Metals (gold, silver, silverware, platinum, etc)
9	Art, Antiques or Rare Collections
10	Dangerous Drugs
11	Weapons or Explosives
12	Businesses or Assets Forfeited
20	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes *

Code No	Description
21	Blank Negotiable Instruments or Tickets
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft From, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*The case file must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes *

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Official Or Employees:

- 6A Federal - Elected Official
- 6B Federal - Nonelected Executive Level
- 6C Federal - All Other
- 6D State - Elected Official
- 6E State - Nonelected Executive Level
- 6F State - All Other
- 6G Local - Elected Official
- 6H Local - Nonelected Executive Level
- 6J Local - All Other

Bank Officers Or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions**Subject Priorities for FBI Arrest or Locates:**

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Convictions Other Than Federal:

It is permissible to claim a local (state, county or local) conviction if the FBI's investigation significantly contributed to the successful local prosecution. A succinct narrative setting forth the basis for claiming a local conviction must accompany this report. When claiming a conviction other than Federal, enter the word "LOCAL" in the "Conviction-Section" block, disregard the number of conviction counts, but enter the sentence in the appropriate blocks. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for all capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

- 1. The subject becomes a fugitive after conviction but prior to sentencing.
- 2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, not the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

- Since more than one IA/T could have contributed to the accomplishment, each IA/T must be rated.
- The IA/T used must be rated each time an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

NY 196A-1774

MARC RICH & CO. INTERNATIONAL LTD, akd
"Clarendon A.G."

RICO; FBW; MF; TAX EVASION; TRADING WITH ENEMY
(OO:NY)

OCT 31 1983

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: ADIC, NEW YORK
SUBJECT: MARC RICH-FUGITIVE;
PINCUS GREEN-FUGITIVE;

196A-1774

Field Office File Number

M-1

Squad or RA Number

b6

b7C

MARC RICH & CO. A.G.

(CON'T ON PAGE 2)

- ☐ - X if a joint FBI/DEA (or other Federal Agency **) operation.
☐ - X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☐ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Rating Usage
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveill. Sqd Asst
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation
						21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
	A	B	C					
	FBI Arrests -				\$ 22,000,000		\$	\$
	FBI Locates -				\$	\$	\$	\$
	Number of Subjects of FBI Arrests Who Physically Resisted _____				\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Were Armed _____				\$	\$	\$	\$	
Criminal Summons _____ Subpoenas Served _____				\$	\$	\$	\$	
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters		Government Defendant		Government Plaintiff
Hostages Held By Terrorists _____; All Other Hostage Situations _____				Amount of Suit		\$		\$
				Settlement or Award		\$		\$
						Enter AFA Payment Here		

F. Final Judicial Process: Judicial District _____ State _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 2 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED
DATE 2/21/00 BY SP5-JC/MJ

Subject 3 - Name - _____ Subject's Description Code * - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: As a result of 9/30/83, Jeopardy Assessment by IRS on Clarendon in the amount of \$90 million as of 10/19/83, IRS collected \$22 million. This arises out of 51-count indictment Field on 9/19/83, in which FBI contributed substantially in investigation of RICO scheme where numerous wire transfers off-shore were utilized by Rich to evade Federal income taxes!

2 - Bureau

2 - Field Office 1 (66-8492) shore were utilized by Rich to evade Federal income taxes.
* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

MEB:jf (5)

196A-1774

196A-1774-184

FBI/DOJ

Property Type Codes*

Code No	Description
1	Cash (U.S. and foreign currency)
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)
7	Jewelry (including unset precious and semiprecious stones)
8	Precious Metals (gold, silver, silverware, platinum, etc)
9	Art, Antiques or Rare Collections
10	Dangerous Drugs
11	Weapons or Explosives
12	Businesses or Assets Forfeited
20	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes *

Code No	Description
21	Blank Negotiable Instruments or Tickets
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft From, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*The case file must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Official Or Employees:

- 6A Federal - Elected Official
- 6B Federal - Nonelected Executive Level
- 6C Federal - All Other
- 6D State - Elected Official
- 6E State - Nonelected Executive Level
- 6F State - All Other
- 6G Local - Elected Official
- 6H Local - Nonelected Executive Level
- 6J Local - All Other

Bank Officers Or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions

Subject Priorities for FBI Arrest or Locates:

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Convictions Other Than Federal:

It is permissible to claim a local (state, county or local) conviction if the FBI's investigation significantly contributed to the successful local prosecution. A succinct narrative setting forth the basis for claiming a local conviction must accompany this report. When claiming a conviction other than Federal, enter the word "LOCAL" in the "Conviction-Section" block, disregard the number of conviction counts, but enter the sentence in the appropriate blocks. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for all capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

- 1. The subject becomes a fugitive after conviction but prior to sentencing.
- 2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, not the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T must be rated.

-The IA/T used must be rated each time an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

NY 196A-1774

MARC RIGH & CO. INTERNATIONAL, LTD; aka
"Clarendon A.G."

RICO; FBW; MF; TAX EVASION; TRADING WITH ENEMY
(OO:NY)

QFBC WENT
5852

FILE 5

:MKE/* :ORI/NYFBIN00:NAM/RICH,MARC :SEX/M
:RAC/W:DOB/121834:SID/* :COH/*:SOC/496343075
:POB/B3:HGT/510:WGT/180:EYE/XXX:HAI/XXX:SKI/*
:LCD/ :LCT/F:OFF/2608:EXT/Z:RCV/*:PFL/*:VIC/*:RSP/*
:OCA/QFBC5851 :ETP/1:WAR/* :DKT/* :DOW/091983
:NIS/RICO/TAX EVASION/MAIL FRAUD/IF ENCOUNTERED CONTACT USC SA
[REDACTED] OR FBI SA [REDACTED] AT 212 553 2700
:FBI/* :MNU/* :SMT/* :FPC/*
b6 :OLS/* :OLY/*
:OLN/*
b7c :LIC/* :LIS/* :LIY/* :LIT/*
:VIN/* :VYR/* :VMA/* :VMO/* :VST/* :VCO/*

N 1035-1035 10/31/83 0396243 QFBC03292
NYIS WENT QFBC
ACK 05852

NYFBIN00

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/00 BY SP3 JCL/mr

DCJS & NCIC ENTRY RESULTS

ENTERED ON BOTH FILES
NAM/RICH,MARC :OCA/QFBC5851 :WPR/0302454 :NIC/W321531799

NCIC RELATED WANT

MKE/WANTED PERSON
ORI/NYUSC4201 :NAM/RICH,MARC :SEX/M :RAC/W :POB/B3 :DOB/121834 :HGT/510
:WGT/160 :EYE/XXX :HAI/BLK
:NIC/W313412622
:NYFBIN00
:SOC/496343075 :OFF/TAX REVENUE :DOW/091983 :OCA/Q583NY003
:NIS/WANTED INCOME TAX EVASION TRADING WITH ENEMY IF ENCOUNTERED CALL
SA [REDACTED] 212 466 2910
:NIC/W313412622

b6
b7c

196A-1774-185

R

Federal Bureau of Investigation

AIRTEL

To: Director, FBI
 Att: Criminal Investigative Division
 Fugitive Unit

Date: OCT 28 1983

From: ADIC, NEW YORK (196A-1774) (M-1) INSTRUCTIONS - Reverse side

NOTE: Priority "A" and "B" Fugitives - With initial submission, set forth a synopsis of crime on reverse side.

Subject: MARC RICH-FUGITIVE;
 PINCUS GREEN-FUGITIVE;

b6
 b7C

☒ Initial Submission☐ Supplements FD-65 dated _____

MARC RICH AND COMPANY A.G.;
 MARC RICH AND COMPANY INTERNATIONAL, LTD., aka
 "Clarenoon A.G."
 RICO; FBW;
 ME-TAX EVASION
 (OO:NY)

Indicate Fugitive Priority

☐ A☒ B☐ C

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/21/01 BY SP5-14/00

Caution <input type="checkbox"/>	MKE	Name	NAM		Sex	SEX	Race	RAC
		MARC RICH			M		W	
Place of Birth	Antwerp, Belgium		POB	Birth Date	DOB	Height	HGT	Weight
				12/18/34		5'10"		180
Eye Color	EYE	Hair Color	HAI	FBI No.	FBI	Skin Tone	SKN	
Scars, Marks, Tattoos, etc.								SMT
NCIC Fingerprint Classification	FPC	Other Identifying Number	MNU	Social Security #	SOC			
				496-34-3075				
Operator's License Number	OLN	Operator's License State	OLS	Year Expire	OLY			
Offense Charged OFF Racketeering-Racketeering Consp.-Mail Fraud-Wire Fraud-Tax Evasion								
U. S. Code, Title and Section 18, 1962 (c) (d), 1341, 1343-26, 7201-31, 535, 206 (a) (4)								
Warrant Issued By	USDJ		b6	on	9/19/83	DOW	F. O. File #	OCA
Date PBV or Bond Default Case Referred to Office						b7C	196A-1774	
Miscellaneous Including Bond Recommended				MIS	Fingerprint Classification (Henry System)			
If encountered, contact U.S. Customs Agent [redacted] or FBI SA [redacted] (212) 553-2700				b6 b7C				
LICENSE PLATE AND VEHICLE INFORMATION								
License Plate Number	LIC	State	LIS	Year Expires	LIY	License Plate Type	LIT	
Vehicle Identification #	VIN	Year	VYR	Make	VMA	Model	VMO	Style
								VST
Color	VCO							
Aliases				Additional Identifiers				
FBI-W318412622				196A-1774-187				
NCIC #				NIC				
W318412622-CUSTOMS #								

2 - FBIHQ (1 - Fugitive Unit)
 ① - New York
 MEB:mr mr (M-1) MEB
 (4)

1 - Supervisor M-1

FBI/DOJ

Marc Rich indicted 9/19/83 for utilizing an enterprise to wire transfer over \$100 million illegal profits generated by trading oil; thereby, evading over \$48 million in taxes. Also, caused over \$200 million U.S. dollars to be transferred to Iran during embargo.

Rich entered NCIC by U.S. Customs on 9/27/83.

INSTRUCTIONS

1. **Caution (MKE)** - Insert "C" in block if caution statement indicated. Basis for caution statement must appear in Miscellaneous block, e.g. armed and dangerous.
2. **Name (NAM)** - Place name in this block. Aliases are not to be entered in this block but are to be placed in Aliases block.
3. **Sex (SEX)** - Sex will be designated by one letter, M (male) or F (female).
4. **Race (RAC)** - Race will be described by one letter, W (white), N (Negro), I (Indian), C (Chinese), J (Japanese), O (all other). Mexicans who are not definitely Indian or other nonwhite should be described as "W".
5. **Place of Birth (POB)** - Indicate city and state or, if foreign born, city and country. Where multiple birthplaces are reported, list verified birthplace or that which appears most logical in this block.
6. **Birth Date (DOB)** - Enter as month, day and year. Where multiple birth dates are reported, enter verified birth date or that which appears most logical in this block. Place other dates of birth in Additional Identifiers block.
7. **Height (HGT)** - Express in feet and inches, e.g., 6' 0". Round off fractions to nearest inch.
8. **Weight (WGT)** - Express in pounds. Omit fractions.
9. **Eye Color (EYE)** - Use appropriate three character symbol.
10. **Hair Color (HAI)** - Use appropriate three character symbol.
11. **Skin Tone (SKN)** - Use appropriate three character symbol.
12. **Scars, Marks, Tattoos, etc. (SMT)** - Place in this block only appropriate NCIC coding for scars, marks, tattoos, birthmarks, deformities, missing body parts and artificial body parts as defined in NCIC Operating Manual. If more than one SMT is to be entered, use Additional Identifiers block for additional appropriately coded items. Use Miscellaneous block to describe all scars, marks, tattoos, etc. which are not defined in the NCIC Operating Manual and to more fully describe SMT's which have been entered in SMT block. For example, an appendectomy scar, not being readily visible, would be described in the Miscellaneous block. A tattoo on right arm, shown as TAT R ARM in block, might be further described in Miscellaneous block as a rose tattoo on inside of lower right arm.
13. **NCIC Fingerprint Classification (FPC)** - Enter NCIC fingerprint classification.
14. **Other Identifying Number (MNU)** - Miscellaneous numbers may be entered with appropriate identifiers (prefixes). For first miscellaneous identifying number, use MNU block. When military service number is in fact Social Security Account Number, the number should be entered in both MNU and SOC blocks. Additional identifying numbers are placed in Additional Identifiers block. The identifier (prefix) should precede the number and be separated from the number by use of a hyphen. See NCIC Operating Manual, Part 9, page 26 for appropriate agency identifiers.
15. **Fingerprint classification (Henry System)** - The Henry System fingerprint classification is to be placed in this block, when available. Do not enter in NCIC.
16. **Social Security Number (SOC)** - Place subject's Social Security Account Number in this block.
17. **Operator's License Number** - Place subject's operator's license number in OLN block. Also show licensing state (OLS) and year license expires (OLY).
18. **Warrant Issued By - On (DOW)** - In Escaped Federal Prisoner cases enter date of escape in DOW block.
19. **Miscellaneous (MIS)** - Enter additional pertinent information in this block. If caution statement used, basis for statement must be set forth as first item in this block.
20. **License Plate and Vehicle Information** - Place information concerning license plate and/or vehicle known to be in the possession of subject in appropriate blocks under License Plate and Vehicle Information heading.
21. **Additional Identifiers** - Enter information concerning additional license plates (number, state, year expires, and where applicable, type); Social Security Numbers; operator's license number, state and year expires; vehicle information (VIN, VYR, VMA, VMO, VST, VCO); MNU's (see list in item 14 above); visible scars, marks, tattoos, etc.; and dates of birth. Clearly identify what data is being set forth; e.g. Social Security # 423-56-3294; Michigan operator's license 234567; expires 1972; DOB's 4/5/32, 5/3/32; etc.
22. Changes and deletions should be so indicated in the appropriate blocks.

ENCLOSURE (7-6-7-7-7) (1-1)

196A-1774-188

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/mjs

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 14 1983	
FBI-NEW YORK	

Has Marc Rich become the Bunker Hunt of the copper market? Hardly, but he's certainly shaking it up.

The 60,000-ton bath

By Priscilla S. Meyer

IN THE SIX WEEKS prior to the end of October, despite the U.S.' continuing strong economic recovery and threats of war, the price of copper plunged 15%, to less than 62 cents a pound.

Here, in part, is why: Clarendon Ltd., formerly Marc Rich International, was dumping 60,000 tons of refined copper on an already weak market, unloading it on any other metals companies and trade sources Clarendon could find.

Neither FORBES nor the U.S. gov-

ernment has succeeded in finding Marc Rich. He's said to be hiding in Switzerland or Spain or Panama or—your guess is as good as anybody's—while the government tries to collect \$90 million in unpaid U.S. taxes he or his trading ventures allegedly owe. But traders for Rich's old companies do confirm the copper tale, although Clarendon officials decline to discuss it. It's known, moreover, that the Rich companies had large stocks of other metals, including silver, gold, platinum and base metals, hedged by sales of futures contracts on New York's Comex and elsewhere. The

possibility that these holdings, too, are being dumped helps explain why prices for the metals (which had fallen for reasons that go beyond Rich's troubles) have remained weak.

The 60,000 tons of copper that were sold were equal to 15% of all copper held in vaults approved by Comex. On Sept. 30 the IRS issued a jeopardy assessment, amounting to a lien against Clarendon, which technically had just been sold by Rich to the firm's key managers. But the jeopardy assessment was sustained by a federal court in New York City only on Oct. 25. That legally froze Clarendon's assets. Its sales of copper had begun before the Sept. 30 IRS assessment and apparently were concluded by the Oct. 25 federal court order. Three days later Richco Bullion, a Rich firm in London that speculated in gold and silver, announced it was halting its trading as a consequence of the court order. Richco Bullion's U.S. operation, Richco Capital, also stopped trading.

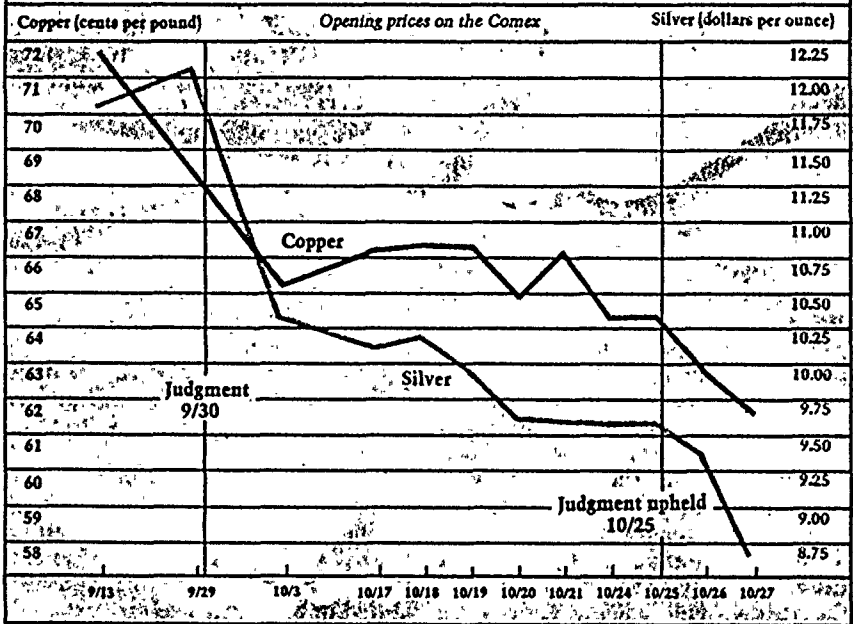
Unlike Rich's speculative operations, Clarendon had come by its large physical holdings of metals as a conventional trader. Clarendon bought raw ore from copper mining companies, contracted out the processing, stored copper and by-products and sold the metals to industrial users. To protect itself against declines in price before the copper was actually sold to a user, Clarendon sold copper futures on Comex. Thus it guaranteed itself a minimum profit, the difference between its cost of copper and the price for which the futures contracts sold.

Now the freeze on Clarendon's assets casts considerable doubt on the metal trading company's ability to maintain its positions in New York and European futures markets. If the company was forced to repurchase its futures sales contracts, or if metal prices went up, requiring payment of funds to Comex against the short positions, where would the money come from? Supposedly, it's frozen by the U.S., and there is even some danger of bankruptcy. Peter Ryan, chief financial officer of Clarendon, argued in court that his company is in "danger of insolvency" only because of the IRS' jeopardy assessment.

As for the status of the trading firm's collateral, Comex won't comment. But the exchange is known to have voiced concern to Clarendon and to be pleased with its decision to liquidate the physical copper. One thing is sure: Look for choppy waters in the metals markets for a while. ■

Copper and silver tumble with Rich's empire

Metal-selling by Rich's old companies triggered price declines in the copper and silver markets—already soft from months of selling by producers, among them Chile and Peru. "It's psychological," some say.



FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 11/14/83

009

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ~~ROUTINE~~ 2028

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES.

BT

b6
b7C

UNCLAS

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/22/01 BY SP5 JCL/019

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD.,

AKA "CLARENDON, A.G."; RICO; FBW; MF; TAX EVASION -

TRADING WITH ENEMY (OO:NY).

RENYTEL TO BUREAU, OCTOBER 19, 1983.

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ.

ON OCTOBER 14, 1983, AUSA [REDACTED]

SDNY, ADVISED

b6
b7C
b3[REDACTED]
[REDACTED]
[REDACTED] ARTICLE APPEARING IN FORBES,b7D
b7F

① - NEW YORK
 1 - spv. m-1

MEB:mms
 (2)

Approved: [Signature]

Transmitted

(Number)

(Time)

Per [Signature]

196B-1774-189

b6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

NOVEMBER 21, 1983, ISSUE WHERE MARC RICH WAS DUMPING 60,000 TONS OF REFINED COPPER ON AN ALREADY WEAK MARKET. THE SALES BEGAN BEFORE THE SEPTEMBER 30, 1983 IRS JEOPARDY ASSESSMENT AND APPARENTLY WERE CONCLUDED BY THE OCTOBER 25, 1983 FEDERAL COURT ORDER SUSTAINING THE ASSESSMENT. AS A RESULT OF THE DUMPING, THE PRICE OF COPPER PLUNGED 15%, TO LESS THAN 62 CENTS PER POUND. THE 60,000 TONS OF COPPER THAT WERE SOLD WERE EQUAL TO 15% OF ALL COPPER HELD IN VAULTS APPROVED BY COMEX (COMMODITIES EXCHANGE).

CLARENDON HAD COME BY ITS LARGE PHYSICAL HOLDINGS OF METALS AS A CONVENTIONAL TRADER. BUYING RAW ORE FROM COPPER MINING COMPANIES, CONTRACTED OUT THE PROCESSING, STORED COPPER AND BY-PRODUCTS AND SOLD THE METALS TO INDUSTRIAL USERS. TO PROTECT ITSELF AGAINST DECLINES IN PRICE BEFORE THE COPPER WAS ACTUALLY SOLD, CLARENDON SOLD COPPER FUTURES ON COMEX. THUS, IT GUARANTEED ITSELF A MINIMUM PROFIT, THE DIFFERENCE BETWEEN ITS COST OF COPPER AND THE PRICE FOR WHICH FUTURES CONTRACTS SOLD.

THE IRS JEOPARDY ASSESSMENT FROZE ALL ASSETS THEREBY

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE

NY 196A-1774

UNCLAS

COSTING CONSIDERABLE DOUBT ON THE COMPANY'S ABILITY TO
MAINTAIN ITS POSITIONS IN NY AND EUROPEAN FUTURES MARKETS.
IF THE COMPANY WAS FORCED TO REPURCHASE ITS FUTURES SALES
CONTRACTS, OR IF METAL PRICES WENT UP, REQUIRING PAYMENT
OF FUNDS TO COMEX AGAINST THE SHORT POSITIONS, WHERE WOULD
THE MONEY COME FROM? [REDACTED]

[REDACTED] NY WILL

INVESTIGATE THIS MATTER RELATIVE TO OBSTRUCTION OF JUSTICE,
IN THAT IF MARC RICH A.G. PAID ANY SUCH MARGIN CALL, A
POSSIBLE OOJ VIOLATION COULD OCCUR.

FBIHQ WILL BE KEPT ADVISED.

BT

b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0436 3182028

RR HQ

DE NY 009

NOV 14 83 2025Z

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

b6
b7C

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES.

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JLC/mj

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD.,
AKA "CLARENDON, A.G."; RICO; FBW; MF; TA EVASION -
TRADING WITH ENEMY (OO:NY).

b6
b7C

RENYTEL TO BUREAU, OCTOBER 19, 1983.

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ.

ON OCTOBER 14, 1983, AUSA [REDACTED] SDNY. ADVISED

b6
b7C
b3

b7D
b7E

ARTICLE APPEARING IN FORBES.

196B-1774-189

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 19 1983	
FBI - NEW YORK	

12

PAGE TWO

NY 196A-1774 5

UNCLAS

NOVEMBER 21, 1983, ISSUE WHERE MARC RICH WAS DUMPING 60,000 TONS OF REFINED COPPER ON AN ALREADY WEAK MARKET. THE SALES BEGAN BEFORE THE SEPTEMBER 30, 1983 IRS JEOPARDY ASSESSMENT AND APPARENTLY WERE CONCLUDED BY THE OCTOBER 25, 1983 FEDERAL COURT ORDER SUSTAINING THE ASSESSMENT. AS A RESULT OF THE DUMPING, THE PRICE OF COPPER PLUNGED 15, TO LESS THAN 62 CENTS PER POUND. THE 60,000 TONS OF COPPER THAT WERE SOLD WERE EQUAL TO 15 OF ALL COPPER HELD IN VAULTS APPROVED BY COMEX (COMMODITIES EXCHANGE).

CLARENDON HAD COME BY ITS LARGE PHYSICAL HOLDINGS OF METALS AS A CONVENTIONAL TRADER. BUYING RAW ORE FROM COPPER MINING COMPANIES, CONTRACTED OUT THE PROCESSING, STORED COPPER AND BY-PRODUCTS AND SOLD THE METALS TO INDUSTRIAL USERS. TO PROTECT ITSELF AGAINST DECLINES IN PRICE BEFORE THE COPPER WAS ACTUALLY SOLD, CLARENDON SOLD COPPER FUTURES ON COMEX. THUS, IT GUARANTEED ITSELF A MINIMUM PROFIT, THE DIFFERENCE BETWEEN ITS COST OF COPPER AND THE PRICE FOR WHICH FUTURES CONTRACTS SOLD.

THE IRS JEOPARDY ASSESSMENT FROZE ALL ASSETS THEREBY

PAGE THREE

NY 196A-1774

UNCLAS -

COSTING CONSIDERABLE DOUBT ON THE COMPANY'S ABILITY TO
MAINTAIN ITS POSITIONS IN NY AND EUROPEAN FUTURES MARKETS.
IF THE COMPANY WAS FORCED TO REPURCHASE ITS FUTURES SALES
CONTRACTS, OR IF METAL PRICES WENT UP, REQUIRING PAYMENT
OF FUNDS TO COMEX AGAINST THE SHORT POSITIONS, WHERE WOULD
THE MONEY COME FROM? [REDACTED]

[REDACTED] NY WILL

INVESTIGATE THIS MATTER RELATIVE TO OBSTRUCTION OF JUSTICE,
IN THAT IF MARC RICH A.G. PAID ANY SUCH MARGIN CALL, A
POSSIBLE OOJ VIOLATION COULD OCCUR.

FBIHQ WILL BE KEPT ADVISED.

BT

b7D
b7F

Transmit attached by Facsimile - UNCLAS

Precedence *Priority*To: SAC - New York 196A-1774
From: SAC - Seattle 29A-2942 (P)

Date: 11/14/83

Time: Transmitted -

Subject: b6
b7C

Initials -

*EE: 21
BF: E
OO: SE*☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other*Subpoena*Special handling instructions: *N.Y. requested to serve on*
so records can reach
Seattle by Nov. 22, 1983. Any questions are to be directed
to AUSA *in Seattle.*Approved: *[Signature]*

FBI/DOJ

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE *3-1-01* BY *SP57 SC/BN*

196A-1774-190

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 15 1983	
FBI - NEW YORK	

[Signature]

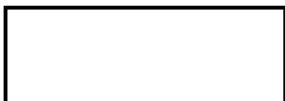
SUBPOENA TO TESTIFY BEFORE GRAND JURY

United States District Court		DISTRICT WESTERN DISTRICT OF WASHINGTON	
NO. 	b3 b6 b7C	SUBPOENA FOR <input type="checkbox"/> Person <input checked="" type="checkbox"/> Document or Object	
ATTN: 			
<p>YOU ARE HEREBY COMMANDED to appear in the United States District Court at the location, date, and time specified below to testify before the Grand Jury in the above entitled case.</p>			
PLACE United States Courthouse 3rd Floor 5th & Madison Seattle, Washington		COURTROOM Room 311 DATE AND TIME <div style="border: 1px solid black; width: 150px; height: 30px; margin: 5px auto;"></div> <div style="text-align: right; margin-top: 5px;">b3</div>	
<p>YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):⁽¹⁾</p> <div style="border: 1px solid black; height: 150px; margin: 10px 0;"></div> <p style="text-align: center; margin: 10px 0;">Records and documents as requested on Page 2 of this subpoena.</p> <div style="text-align: center; margin: 20px 0;"> <p>ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2/22/01 BY SP5 JCL/mj</p> </div> <p><input type="checkbox"/> Please see additional information on reverse</p>			
<p>This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.</p>			
CLERK BRUCE RIFKIN		DATE <div style="border: 1px solid black; width: 150px; height: 60px; margin: 5px auto;"></div>	
BY DEPUTY CLERK <div style="border: 1px solid black; width: 250px; height: 40px; margin: 5px auto;"></div>		b3 b6 b7C	
This subpoena is issued on application of the United States of America by:		NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY <div style="border: 1px solid black; width: 150px; height: 30px; margin: 5px auto;"></div> AUSA	

SUBPOENA TO TESTIFY BEFORE GRAND JURY

continued

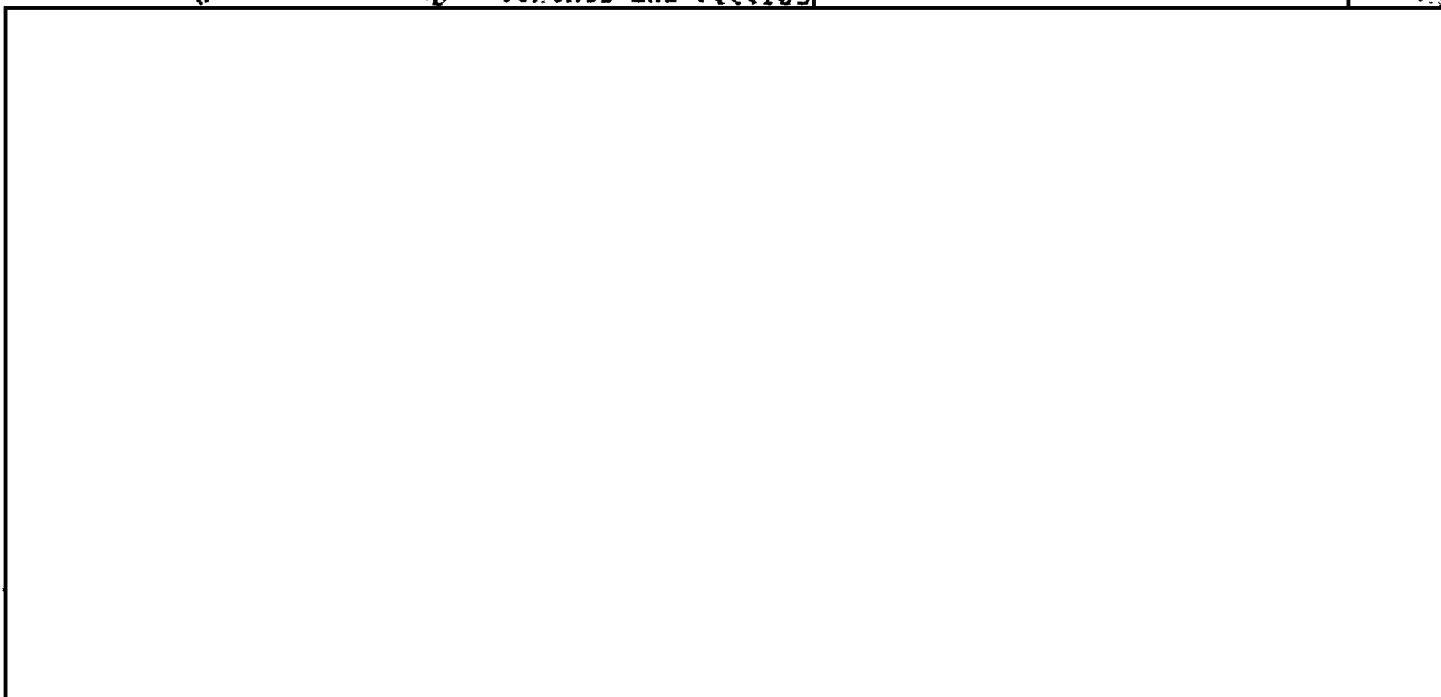
Page 2 of 2



b3

b3

Please bring the following documents and records



RETURN OF SERVICE (2)

RECEIVED BY SERVER	DATE 11/14/83	PLACE New York, New York
SERVED	DATE 11/15/83	PLA

SERVED ON (NAME)		b6 b7C b3
SERVED BY		TITLE SA FBI

STATEMENT OF SERVICE FEES		
TRAVEL N/A	SERVICES N/A	TOTAL N/A

DECLARATION OF SERVER (3)	
<p>I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.</p> <p>Executed on _____ <small>Date</small></p> <p>_____ <small>Signature of Server</small></p> <p>_____ <small>Address of Server</small></p>	
ADDITIONAL INFORMATION	

INFORMATION REGARDING DUCES TECUM SUBPOENAS

The documents requested in the attached Dues Tecum subpoena are to be delivered to the Grand Jury; and, if it would be of greater convenience to you, in lieu of personal delivery to the Grand Jury, the documents may be mailed to:

Foreperson of the Grand Jury

c/o

Assistant United States Attorney
3600 Seafirst Fifth Avenue Plaza
800 Fifth Avenue
Seattle, Washington 98104

b6
b7C
b3

Should you elect to mail the documents, said mailing should be accomplished in a timely fashion to insure that the documents can be provided to the Grand Jury on the prescribed date.

NOV 17 1983

Date

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: SACX ADIC, NEW YORK
SUBJECT:

196A-1774

Field Office File Number

SEE ATTACHED

M-1

Squad or RA Number

- ☒ - X if a joint FBI/DEA (or other Federal Agency **) operation
- ☐ - X if case involves corruption of a public official (Federal, State or Local)

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Rating Usage
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveil. Sqd Asst
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation
						21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
FBI Arrests	A	B	C					
FBI Locates								
Number of Subjects of FBI Arrests Who Physically Resisted								
Number of Subjects of FBI Arrests Who Were Armed								
Criminal Summonses								
Subpoenas Served								
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters				
Hostages Held By Terrorists				Amount of Suit		Government Defendant		Government Plaintiff
All Other Hostage Situations				Settlement or Award				
								Enter AFA Payment Here

F. Final Judicial Process: Judicial District _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name - _____ Subject's Description Code - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		
												\$
												\$
												\$
												\$

Subject 2 - Name - _____ Subject's Description Code - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		
												\$
												\$
												\$
												\$

Subject 3 - Name - _____ Subject's Description Code - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		
												\$
												\$
												\$
												\$

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks:

Pursuant to

Case involved joint investigation of FBI, IRS and U.S. Customs 1983

2 - Bureau
3 - Field Office

See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

Identify the other Federal Agency(ies) in the Remarks Section

(1-66-8492) (1-IAU Unit)

MEB:wyh (6/2/83)

196A-1774

FBI-NEW YORK

MWP/DOJ

196A-1774-191

NY 196A-1774

SUBJECT: MARC RICH-FUGITIVE;
PINCUS GREEN-FUGITIVE;

[REDACTED]

b6

b7C

MARC RICH & CO. A.G.;

MARC RICH & CO. INTERNATIONAL, LTD.;

aka "Clarendon A.G."

RICO; FBW; MF; TAX EVASION;

TRADING WITH ENEMY.

(OO: NY)

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS
Date 11/21/83

19

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

LOUISVILLE (196A-NEW) PRIORITY

BT

UNCLAS

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT.

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD., AKA
 "CLARENDON, A.G."; RICO- FBW - MF - TAX EVASION - TRADING WITH
 ENEMY (OO:NY)

FOR INFO OF LOUISVILLE ABOVE-CAPTIONED HAS RECEIVED MASS
 MEDIA COVERAGE AS A RESULT OF 51-COUNT RICO INDICTMENT FILED
 SEPTEMBER 19, 1983 IN SOUTHERN DISTRICT OF NEW YORK (SDNY).
 CASE BASICALLY INVOLVED OFF-SHORE TRANSFER OF MILLIONS OF
 DOLLARS OF ILLEGALLY GENERATED PROFITS FROM THE SALES OF OIL.

ON OCTOBER 20, 1983, AN INDIVIDUAL IDENTIFYING HIMSELF AS

[REDACTED] AND STATED THAT HE COULD CAUSE
 ALL CIVIL AND CRIMINAL MATTERS AGAINST CAPTIONED TO BE DROPPED

b6
 b7C

- ① - NEW YORK
 1 - SUPV. M-1

MEB:mms
 (2)

196A-1774-192

Approved: [Signature]

Transmitted _____

(Number)

(Time)

Per [Signature]

[REDACTED]

b6
 b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ *

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

FOR A FEE OF [REDACTED]

STATED THAT HE WAS THE [REDACTED]

[REDACTED] KENTUCKY

b6
b7C

[REDACTED] WHERE A CERTIFIED CHECK IN THE AMOUNT OF [REDACTED] WAS
 TO BE SENT. [REDACTED] STATED HE KNOWS CERTAIN OFFICIALS IN D.C. WHO
 WOULD RESOLVE THIS MATTER.

TELEPHONIC CONTACT WITH POST OFFICE IN [REDACTED] KENTUCKY
 PROVIDED THAT THE OWNER OF [REDACTED] WAS A [REDACTED] AND
 WAS OPENED ON [REDACTED]

ALSO LISTED WAS PRIOR BACKGROUND IN [REDACTED]

LOUISVILLE AT [REDACTED] KENTUCKY. 1. WILL CONDUCT INDICES
 SEARCH OF [REDACTED]

b6
b7C

2. ATTEMPT TO IDENTIFY IF [REDACTED] IS A LEGITIMATE
 BUSINESS;

3. ATTEMPT TO IDENTIFY [REDACTED] (NY
 BELIEVES THEM TO BE ONE IN THE SAME);

4. CONDUCT CRIMINAL SEARCH OF [REDACTED]

5. SUTEL RESULTS BY NOVEMBER 23, 1983 AS [REDACTED] PLACED
 DEADLINE BY NOVEMBER 30, 1983.

IT SHOULD BE NOTED THAT SDNY WILL ISSUE ARREST WARRANT,
 IF APPROPRIATE.

b6
b7C

ABOVE PROVIDED TO FBIHQ FOR INFO.

Approved: _____ Transmitted _____ Per _____
 BT (Number) (Time)

NY0974-3260207

PP HQ LS

DE NY 019

P 212345Z NOV 83FM NEW YORK 7196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) PRIORITY

LOUISVILLE (196A-NEW) PRIORITY

BT

UNCLAS

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT.

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD., AKA
"CLARENDON, A.G."; RICO- FBW - MF - TAX EVASION - TRADING WITH
ENEMY (OO:NY)

b6
b7C

FOR INFO OF LOUISVILLE ABOVE-CAPTIONED HAS RECEIVED MASS
MEDIA COVERAGE AS A RESULT OF 51-COUNT RICO INDICTMENT FILED
SEPTEMBER 19, 1983 IN SOUTHERN DISTRICT OF NEW YORK (SDNY).
CASE BASICALLY INVOLVED OFF-SHORE TRANSFER OF MILLIONS OF
DOLLARS OF ILLEGALLY GENERATED PROFITS FROM THE SALES OF OIL.

ON OCTOBER 20, 1983, AN INDIVIDUAL IDENTIFYING HIMSELF AS
[REDACTED] AND STATED THAT HE COULD CAUSE
ALL CIVIL AND CRIMINAL MATTERS AGAINST CAPTIONED TO BE DROPPED

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/mg

196A-1774-192

ff ff

R

PAGE TWO

Y 196A-1774

UNCLAS

FOR A FEE OF [REDACTED] STATED THAT HE WAS THE [REDACTED]
[REDACTED] KENTUCKY
[REDACTED] WHERE A CERTIFIED CHECK IN THE AMOUNT OF [REDACTED] WAS
TO BE SENT. [REDACTED] STATED HE KNOWS CERTAIN OFFICIALS IN D.C. WHO
WOULD RESOLVE THIS MATTER.

b6
b7C

TELEPHONIC CONTACT WITH POST OFFICE IN [REDACTED] KENTUCKY
PROVIDED THAT THE OWNER OF [REDACTED] WAS A [REDACTED] AND
WAS OPENED ON [REDACTED]
ALSO LISTED WAS PRIOR BACKGROUND IN [REDACTED]
LOUISVILLE AT [REDACTED] KENTUCKY. 1. WILL CONDUCT INDICES
SEARCH OF [REDACTED]

b6
b7C

2. ATTEMPT TO IDENTIFY IF [REDACTED] IS A LEGITIMATE
BUSINESS;

b6
b7C

3. ATTEMPT TO IDENTIFY [REDACTED] (NY
BELIEVES THEM TO BE ONE IN THE SAME);

b6
b7C

4. CONDUCT CRIMINAL SEARCH OF [REDACTED]

5. SUTEL RESULTS BY NOVEMBER 23, 1983 AS [REDACTED] PLACED
DEADLINE BY NOVEMBER 30, 1983.

IT SHOULD BE NOTED THAT SDNY WILL ISSUE ARREST WARRANT,
IF APPROPRIATE.

ABOVE PROVIDED TO FBIHQ FOR INFO.

BT

X AIRTEL

NOV 22 1993

TO: SAC, SEATTLE (29A-2948) (P)
FROM: ADIC, NEW YORK (196A-1774) ~~(P)~~ (M-1)
SUBJECT: [REDACTED] b6
ET AL; b7C
BF&E:
(OO: SE)

ReSeattle subpoena transmitted by facsimile to New York on 11/14/83.

Enclosed for Seattle is the original subpoena (which was transmitted by facsimile) for return of service.

On 11/15/83, a copy of the above referenced subpoena was served on [REDACTED]

[REDACTED] telephone number [REDACTED]
[REDACTED] was advised that any questions should be directed to Assistant United States Attorney (AUSA) [REDACTED]
telephone number [REDACTED]

b6
b7C
b3

New York considers this matter completed.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/00 BY SP5 JC/mj

2 - Seattle (Encls. 1)
1 - New York
1 - Supervisor (M-1)
MEB:pam
(4)

196A-1774-193

R

LS0008 329212 Z

RR NY

DE LS

R 25212 Z NOV 8

FM LOUISVILLE (196A-744) (RUC)
TO NEW YORK (196A-1774) ROUTINE
BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] b6
MARC RICH & COMPANY, A.G.; MARC RICH & COMPANY INTERNATIONAL b7C
LIMITED, AKA "CLARENDON, A.G."; RICO - FRAUD BY WIRE, MAIL FRAUD
TAX EVASION - TRADING WITH THE ENEMY; OO: NEW YORK.

RE NEW YORK TELETYPE TO BUREAU, DATED NOVEMBER 21, 1981

LOUISVILLE INDICES NEGATIVE RE [REDACTED]

[REDACTED] KENTUCKY. THERE ARE
NUMEROUS REFERENCES TO [REDACTED] BUT NONE APPEAR TO BE IDENTICAL. b6
CONTACT WITH LOCAL AND STATE AUTHORITIES REVEAL NO INFORMATION ABOUT b7C
[REDACTED] BEING A LEGITIMATE BUSINESS, AND BALLARD COUNTY
SHERIFF, JACK STEPHENS, WHO RESIDES IN [REDACTED] KENTUCKY, HAS NO

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY 585 TC/mg

196A-1774-194

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 25 1981	
FBI-NEW YORK	

M-1 B

PAGE TWO DE LS 008 UNCLAS

KNOWLEDGE OF [REDACTED]

[REDACTED] IS UNKNOWN TO LOCAL AUTHORITIES. [REDACTED]

FORMERLY WAS EMPLOYED AS [REDACTED] AND IS BELIEVED TO HAVE RETIRED.

ACCORDING TO POSTAL AUTHORITIES IN [REDACTED] KENTUCKY, [REDACTED]

[REDACTED] RENTED [REDACTED]

AND CURRENTLY RESIDES IN THE

[REDACTED] COMMUNITY IN [REDACTED]

KENTUCKY. HE WAS FORMERLY [REDACTED]

NO CRIMINAL RECORD LOCATED FOR [REDACTED] IF ADDITIONAL
INVESTIGATION REQUESTED BY THE NEW YORK DIVISION, THEY SHOULD
ADVISE THE LOUISVILLE DIVISION.

BT

008

b6

b7C

b6

b7C

LS0008 329212 Z

RR NY

DE LS

R 25212 Z NOV 8

FM LOUISVILLE (196A-744) (RUC)
TO NEW YORK (196A-1774) ROUTINE
BT
UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY 595 Jc/mr

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH & COMPANY, A.C.; MARC RICH & COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON, A.C."; RICO - FRAUD BY WIRE - MAIL FRAUD -
TAX EVASION - TRADING WITH THE ENEMY; OO: NEW YORK.

b6
b7C

RE NEW YORK TELETYPE TO BUREAU, DATED NOVEMBER 21, 1981.

LOUISVILLE INDICES NEGATIVE RE [REDACTED]

[REDACTED] KENTUCKY. THERE ARE

NUMEROUS REFERENCES TO [REDACTED] BUT NONE APPEAR TO BE IDENTICAL.
CONTACT WITH LOCAL AND STATE AUTHORITIES REVEAL NO INFORMATION ABOUT
[REDACTED] BEING A LEGITIMATE BUSINESS, AND BALLARD COUNTY
SHERIFF, JACK STEPHENS, WHO RESIDES IN [REDACTED] KENTUCKY, HAS NO

b6
b7C

196A-1774-194

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 25 1981	
FBI-NEW YORK	

VZCZCHQ0290

RR NY

DE HQ #0112 3350634Z

ZNR UUUUU

R 302014Z NOV 83

FM DIRECTOR FBI (196-2848)

TO FBI NEW YORK (196A-1774) (M-1) ROUTINE

BT

UNCLAS

MARK RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC
RICH AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL, LTD,
AKA "CLARENDON A.G."; RICO; FBW; ME; TAX EVASION-TRADING WITH
ENEMY; OO: NEW YORK

RENYTEL TO THE DIRECTOR DATED NOVEMBER 29, 1983.

REQUESTED TRAVEL OF SUPERVISOR [REDACTED] AND

SAS [REDACTED] TO FBIHQ IN WASHINGTON,
D.C., ON DECEMBER 5, 1983 IS APPROVED.

BT

#0112

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JZ/mj

b6
b7C

b6
b7C

196A-1774-195

R M-1 ff ff

[REDACTED]

b6
b7C

mm

11/17

to Mexico to Panama. It would probably end up sacrificing lives: American and Latin American. The U.S. would gain nothing from giving in to the ambitions of the military in Central America. Neither democracy nor social progress is to be had in this way.

Peace through negotiations is the only real, politically enduring, and politically self-interested solution. There are dangers and there are costs. But these are infinitely lower than those assured by the recourse to war.

Throughout the region, including Mexico, Colombia, and Venezuela, young people are talking of forming brigades to join the Sandinistas in case of outright conflict. These brigades would catch (are catching) the imagination of many unemployed youths. There would be death counts of Mexican, Colombian, and Venezuelan boys on Mexico City, Bogotá, and Caracas TV.

Peace through negotiations would enhance the standing of the United States in the nations committed to the negotiating process: Mexico, Venezuela, Colombia, and Panama. These governments are serving your interests better than you serve them yourself. They are not being supported in their efforts by the administration in Washington. Gunboat diplomacy is felt as a danger not only in Managua, but in all four Contadora capitals. The issues for negotiation have been spelled out clearly and tacitly approved by all concerned, except the United States. These issues include: no Soviet bases or armed capabilities in Central America; border patrols; no passage of arms; no foreign military advisers; progressive demilitarization; strict respect for the internal processes of each nation.

The success of negotiations would isolate the Soviet Union from the process of change in Central America and bring in the plural forces of Western Europe, Japan, and the multilateral organizations. I would not go as far as to suggest that the United States, in the name of its own origins, should embrace the revolutionary movements in Latin America and love them to death.

But since the United States obviously cannot influence the status quo, why doesn't it attempt to influence change... for a change?

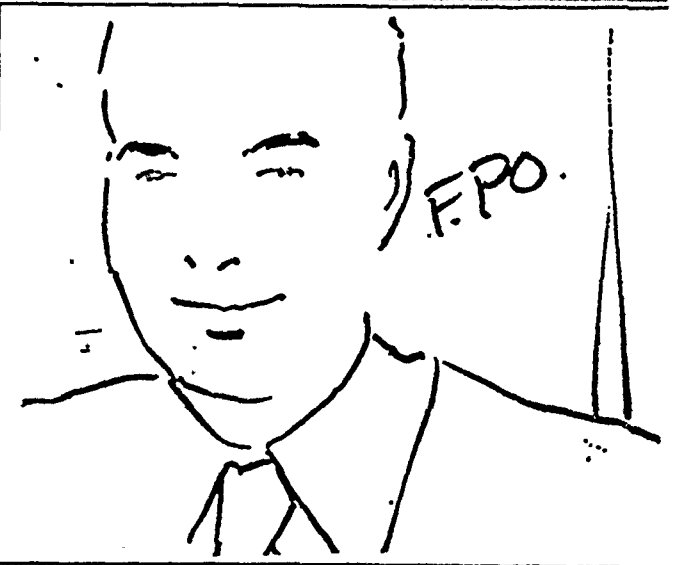
REVOLUTIONS in Latin America pose challenges to American diplomatic imagination. Lessons from the past have not been learned. The problem for the future is how to achieve some balance between the nationalist fervor, the anti-American rhetoric, and the internal transformation, on the one hand, and, on the other, normal diplomatic relations, cool-headedness in dealing with provocation, and constant political action through the multilateral organizations, the major Latin American nations, Japan, and Western Europe.

The revolution's early recriminatory and radical stages must be endured calmly. Instead of cutting off aid, blocking loans from the Inter-American Development Bank, and taking other spiteful actions, behave coolly, let the aid flow from other quarters, multiply the ties of the new revolution with institutions and nations free from the stigma of past American actions in Central America.

Perhaps no other great power in recent history is as well prepared, because of its internal texture, institutions, and origins, to live with cultural difference. Latin America is the great challenge to the very *raison d'être* of the United States: can you learn to live with the other, with the complexity and intractability of different cultures?

Recently Robert Mugabe, the prime minister of Zimbabwe, visited the White House. I remember the situation in his country five years ago. The bloodbath, the fatalism, the sense that Rhodesia had no solution, the characterization of Mugabe as a Marxist, Soviet stooge. Lord Carrington and Christopher Soames proved that this problem did have a solution and that the solution was diplomatic negotiations. Perhaps today the United States might be willing to take a page from the book of British diplomacy and apply it to Central America.

CAPITALISM OBSERVED



HOW THE BARBARIANS DO BUSINESS

by A. Craig Copetas

Marc Rich made money the old-fashioned way.

ON OCTOBER 11, 1983, guests at London's distinguished Grosvenor House who frequent the hotel because it is one of the few remaining bastions of proper innkeeping were either behind bolted doors or at the front desk complaining about the howls that ricocheted through the pale green lobby. Pranksters had piled furniture into corners; entire floors had become hospitality suites, wildernesses of fast-flowing bars populated by tuxedo-clad men downing bomber doses of bonded bourbon. It was metal week in London, and Grosvenor House was the site of the annual dinner of the London Metal Exchange, an influential commodities market. Until dawn 2,000 metal buyers and sellers from Boston to Beijing—some of the industrial world's wealthiest and most powerful men—reveled like a convention of Moose Lodgers. The hotel staff, accustomed to the yearly dinner and all-night cocktail party, handled the behavior they had come to expect with true Tory breeding and dispatch. They calmly defused the South African gold trader who tried, unsuccessfully, to drive a truck into the lobby, and they tamed the roaming packs of communist-bloc executives who flashed fat rolls

A. Craig Copetas is at work on a book about Marc Rich and the world of the commodities markets.

of dollars in front of any woman with the tenacity to remain in the open after midnight.

"This is cirrhosis week, a very trying and difficult time for all of us," chuckled the group's chairman, Michael Brown, before going in to the formal dinner. "There are plenty of barbarians involved with the London Metal Exchange."

The "barbarians" at the exchange's blowout are part of a tightly knit tribe of capitalists who generate trillions of dollars by quietly controlling the buying and selling of the earth's crust. The drama of their lives is centered on the cost and the availability of metals like copper, tin, and tantalum, strange-sounding lumps of earth called ferro-molybdenum, chambishi cobalt, and wolfram-trioxide; their edge on life is a canny understanding of how to make hundreds of millions of dollars while paying a minimum amount of taxes.

The men who traveled to this year's conclave to toast their prodigious wealth, however, radiated the tawny hues of fear. Their craftiest colleague, Marc Rich, had been slapped with a fifty-one-count indictment by the U.S. government. He was accused of racketeering, mail and wire fraud, and violating a trade ban with Iran. One of the world's greatest metal traders had been charged under the Racketeer Influenced and Corrupt Organization (RICO) statutes, laws that were enacted specifically to handcuff businessmen like Al Capone, and he was now liable to pay the IRS a back tax bill of \$90,433,574.39. All in all, the air in Grosvenor House that October evening was reminiscent of a Chicago speakeasy, with patrons who would make excellent witnesses for the prosecution.

It was not the staggering amount of money Rich owed in back taxes for a handful of deals conducted within the space of three years that concerned these dinner-jacketed gentlemen. Their fear arose from the fact that one of their own had somehow allowed the secret world of financial shadows to be breached, to be put on public display in the

seedy confines of Manhattan courtroom number 128.

STOMACHS churned out of control from the moment Rich was subpoenaed last June, and traders must have been consuming a bottle of Maalox a day in August after the world press gleefully reported that customs agents at Kennedy Airport had stopped a plane meant to ferry two large steamer trunks chock-full of secret corporate documents from Rich's New York office to the safety of Swiss vaults. One London aluminum trader, upon hearing of the seizure, was said to have urinated in his trousers while walking off the floor of the Exchange. "Everyone in this business has dealt with Marc Rich," said a metal broker who has executed millions of dollars' worth of deals with him. "The last thing we want is the U.S. poring over records that might outline our activities. We do not want people to *understand* how we operate."

Ironically, Marc Rich was the most secretive of all the metal merchants. He kept a low public profile while personally orchestrating the hour-to-hour activities of a \$10-billion-a-year corporate trading giant that dealt in metals, oil, weapons, sugar, and grain. He speculated on prices, juggled metals like casino chips, and gambled billions to seize control of large caches of strategic commodities essential for manufacturing goods as disparate as cereal and jet fighters. Marc Rich, say those who worked with him, wanted to be a cartel.

Rich knew about the velocity of money, about keeping your money in a state of perpetual motion in the world's financial markets in order to make more money. Those who know him joke that lists of the world's richest men exclude him only because they have no formula with which to gauge his total worth. They also say that he is so self-confident that he was not in the least disturbed when in July he had to flee the United States to Switzerland in order to avoid indictments that could lead to a jail sentence of

325 years. People who have dined with him, his wife, and their three daughters at his Park Avenue apartment, which once belonged to Helena Rubinstein, say that he did not even blink over paying \$4 million in government fines, at the rate of \$50,000 a day, to prevent a federal court from gaining access to his sensitive corporate files.

The government admits that it doesn't know where all the assets of Marc Rich are buried, despite digging through 200,000 pages of subpoenaed documents. And even if it did have a treasure map to Rich's domestic fortune there would be no way to design fines that would shut down his operations in Europe, Southeast Asia, Russia, the Middle East, Africa, the Caribbean, and Latin America. It's not easy to track down billions and billions of dollars when the money remains in one place for as little as twenty-four hours to take advantage of a particular bank's one-quarter-percent interest increase over another bank.

MARC RICH's empire operates through an international hydra of traders, revolving Swiss bank accounts, and cleverly sculpted Panamanian corporations with nonsense names like Highams Consultants and Rescor Incorporated. In nine years he managed to nurture a global business colossus that may sell more oil than Kuwait, more copper than Chile, and enough aluminum to wrap the British Isles in foil. He owns 50 percent of 20th Century-Fox and controls GORCO, an oil refinery in Guam that sells jet fuel to the U.S. Air Force and petroleum products to the entire Seventh Fleet. His myriad of international corporations control thousands of acres of real estate, mineral rights, and mines. He sells arms to the Third World and trades commodities to such diverse groups as Iran's Revolutionary Guard and African tribal Marxists.

Rich's vast holdings are headquartered in the tallest office building (which he owns) in the center

of the tiny Swiss canton of Zug, a village reputed to be a hideout for trading firms and multinational corporations seeking cheap taxes. Over 8,000 companies have been lured to Zug by lucrative tax concessions and the promise that they could be considered Swiss firms if they simply screwed a brass nameplate into the wooden door of a local law office. But Rich came to Zug in force and took great pains to shape every nuance of his private financial nation. The canton's chief public prosecutor, Dr. Rudolph Mosimann, served on the board of Marc Rich AG. The canton's finance director, Georg Stucky, publicly proclaimed to the Swiss newspapers that Rich was being "blackmailed" by the United States. In Switzerland he was a local hero and became one of the country's leading employers, while in the United States he was branded an international lout who had been paid millions by the Iranians during the months that Americans were rotting in a Teheran basement.

It was a classically sweet deal: American citizen Marc Rich was headquartered in Switzerland, but conducted his business activities from a U.S. corporation nestled in the penthouse of Manhattan's Piaget building. The U.S. corporation Marc Rich International was in essence a subsidiary of Marc Rich & Co. AG, the Swiss parent. Although Rich paid U.S. taxes on Marc Rich International, the structure of his corporate juggernaut allegedly allowed him to defer boxcar loads of American-made profits to Zug. So much money, in fact, that the Justice Department believes Rich could be assessed for over \$200 million in back taxes if the Swiss would allow it to subpoena his overseas records.

Rich's 1,400 employees in forty offices in thirty countries are forbidden to mention his name in public; all meetings with the press, social or otherwise, are forbidden. Even those who have left his company in the wake of the U.S. indictments gingerly refuse to give details of Rich's activities for the record because, according to sources once close to the firm, its bonus scheme

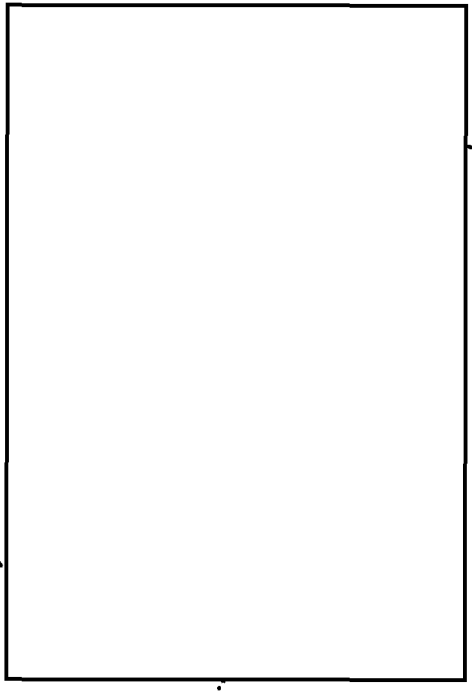
is structured to extend payments over a period of years, and former employees don't want to be cut off for collaborating with government or journalistic probes.

MARC RICH's life is shrouded in secrecy, and the details of even his early years are hard to pin down. He is the only son of a man who is believed to have made burlap bags and dealt diamonds before he fled Antwerp for America to escape the Nazi persecution of the Jews. David Rich moved the family to Kansas City in 1944 and then to New York City in 1950. He raised enough money to put his son through the private Rhodes School, from which, according to school records, Marc graduated in 1952.

Marc Rich then studied marketing at New York University for two years. Somewhere between his graduation from Rhodes and his dropping out of NYU he made the acquaintance of Steven Dale, a former British commando who was the

tungsten expert at the trading firm of Derby. The enterprise managed by the brothers, the largest in the world. The closest thing to a mentor. "If you want to come a trader, this is the business from a great way to be a dealer. The metal is so strong that it's used in the armament from a bullet to the power, the political of the trading world. That little piece of metal that Dale convinced me to become a trader and he had him get a junior position at Phil Brothers.

The bottom-line is the grooming of the man who one day be the target of the tax evasion case in the history provided by a group mostly German-Jewish men at Philipp Brothers.



b6
b7C

Phibro-Salomon, the company remains the world's largest and perhaps most influential commodities firm, trading everything from South African platinum to Dakota wheat. It's the kind of company that metal merchants like to say has the ability to "create a situation." Phibro's stockpiles of raw commodities are so vast that its dealers can create a worldwide shortage or glut of any particular commodity by simply transmitting a Telex to purchase or dispose of material.

The company's former chief executive, Ludwig Jesselson, treated Rich like a son. Under Jesselson's tutelage Rich learned to tame the volatile world of tin prices, for instance, by going to Bolivia to deal with the military junta and coca-leaf-chewing peasants. Rich traveled the world for Jesselson, and made dozens of friends in the international industrial community. He would visit factories and drink with managers in an endless succession of hotel bars. He would never forget an anniversary or a birthday, and made sure that the Christmas envelopes were fat. Soon Jesselson placed Rich in charge of the firm's Madrid office, a strategic location that allowed Rich to work his trading magic on Europe, Africa, and the Middle East. His personality, associates say, put Rich ahead of the hundreds of other traders who agonized over what the Swedish steel industry would need in the way of nickel or what Poland's future copper requirements would be. Rich learned how to get his hands on shiploads of Zambian cobalt, Moroccan copper, Russian chrome, and Yugoslav bismuth. He also learned about oil.

In the late 1960s and early 1970s the OPEC nations began gobbling up oil fields from the big petroleum companies. Jesselson figured that his company, by virtue of its friendly and profitable associations with the OPEC cartel, could easily move in as a middleman between OPEC and the West. The move would bring Phibro into an area that had been almost exclusively controlled by the oil giants. It was high-risk, but the money that stood to be

gained made it worth a roll of the dice.

Jesselson contacted Rich in Madrid and the two men decided that Iran would be the first target in their oil gambit. Rich developed his contacts with Iranian chrome dealers into access to large tracts of Iranian crude. The payoff was swift. During the 1973 Arab oil embargo Rich's ability to work the Middle East generated huge profits that propelled Phibro into the world's largest spot oil trader.

Rich's work made him due for a bonus of over \$1 million, the largest bonus in Phibro's history, according to traders familiar with the company. Jesselson was outraged over the figure and implored Rich to forget about the bonus since he was heir apparent to Jesselson's own job. But Rich, say those who know him, became livid. He flew to Switzerland, where Jesselson was on a skiing holiday, and demanded the bonus. Jesselson told Rich to go back to the office. "The story may be somewhat apocryphal as to exactly what Rich did next," a London trader explained. "It's generally believed that Rich went to a coin box in the Zürich airport, phoned Madrid, and closed an oil deal on his own that netted him \$10 million. He then phoned Pinky Green [another Phibro employee] and told him to quit that afternoon because they had enough capital to start their own company. From that point on Marc Rich became obsessed with destroying Phibro. He had only one goal in mind: grind Phibro into oblivion at whatever cost."

RICH'S FORTUNES bloomed. He continued to travel the world, buying copper, lead, tin, zinc, oil, sugar, aluminum, and rice from producing nations and quickly selling them to consumers. His own network of traders were given huge incentive bonuses. They would purchase the titles to materials that had yet to enter the harbor. They sold metal to foundries and developed their own system to sell oil to refineries.

Rich's new outfit, Marc Rich &

Company, began guerrilla raids on Phibro. He hired away dozens of traders and their secretaries. His senior staff was instructed to do whatever necessary to pound a spike through Phibro. Marc Rich secretaries were dispatched to "date" Phibro traders; industrial moles were recruited in Phibro offices. "Anything was possible if it screwed Phibro," said a trader who had an opportunity to observe one raiding party. "Rich wanted to get his hands on a Jamaican aluminum trader who had some sort of Phibro connection. The trader was flown from Kingstom to London, driven to his penthouse hotel suite in a Rolls, and arrived to find naked hookers prancing around the room. "Women, cocaine, cash—it didn't matter as long as Phibro was put out of business."

By the mid-1970s Rich seemed to appear like a Saudi sheik wherever there was an oil deal to be made, often to the embarrassment of the American oil companies. Big Oil, which was used to purchasing crude directly from the producing countries, squirmed when dealing with Rich. He had become a prickly thorn it could not remove because of the nationalization of foreign wells. When Exxon wanted access to oil in Marxist-controlled Angola in the mid-1970s, executives set up a meeting with the country's oil agents. Expecting to receive a politburo of Angolan officials, senior Exxon executives were stunned when the "communist" representative turned out to be Pinky Green.

Rich's deals did, however, sometimes spiral out of control. In 1979, for example, he was involved in a multimillion-dollar oil deal in Ecuador. To ensure an edge on the competition he also began providing weapons to the Ecuadoran government, acting as an agent for a manufacturer. The man who brokered the deal was Edmund Mantell, the executive in charge of Rich's Southeast Asian operation from offices in Bangkok. The situation became explosive for Rich because he was also purchasing oil from Peru, which at that time was involved in

* in some forgotten

41

egan guerrilla raids on hired away dozens of their secretaries. His was instructed to do necessary to pound a spike pro. Marc Rich secretapatched to "date" Phi-industrial moles were Phibro offices. "Any-ssible if it screwed Phi-a trader who had an to observe one raiding wanted to get his hands ican aluminum trader ne sort of Phibro con-trader was flown from London, driven to his hotel suite in a Rolls, to find naked hookers und the room. "Women, h—it didn't matter as pro was put out of busi-

mid-1970s Rich seemed ke a Saudi sheik wherwas an oil deal to be a to the embarrassment ican oil companies. Big was used to purchasing tly from the producing quirmed when dealing He had become a prick-could not remove be-nationalization of for-

When Exxon wanted il in Marxist-controlled the mid-1970s, execu-p a meeting with the il agents. Expecting to olitburo of Angolan of- or Exxon executives were en the "communist" rep-turned out to be Pinky

als did, however, some-out of control. In 1979, e, he was involved in lion-dollar oil deal in o ensure an edge on the he also began provid-s to the Ecuadoran gov-ting as an agent for a er. The man who bro-al was Edmund Mantell, ve in charge of Rich's asian operation from of-gkok. The situation be-sive for Rich because he rchasing oil from Peru, at time was involved in

a border war with Ecuador. But Mantell, a German who sources assert also brokered arms for Rich throughout the Third World, managed to stabilize the sensitive situation through promises and payoffs. "It was just a little border skirmish that was easily contained," a British oil broker explained. Mantell's life, however, was more difficult to contain. He was found bludgeoned to death in a Monte Carlo alleyway last August. Police said he had been tortured. Mantell's associates said that the murder was not random, and that it was probably linked to some deal war.

MANTELL was the kind of aggressive executive Rich liked to surround himself with to maintain a grip on hundreds of different metal markets. He had proved his worth on more than one occasion. In 1981 he assisted Rich in pounding out an agreement to represent Malaysia's state-controlled tin company, the Malaysian Mining Corporation. They sculpted a curious arrangement with the country's prime minister to buy all of Malaysia's tin, stockpile it in Hong Kong, and push up world prices. It sounded like a good deal, since tin prices had been evaporating and Malaysia was feeling the drought. The deal went down in June 1981 and prices skyrocketed from a low of \$4.33 a pound to over \$7. But in less than a year prices dropped and Rich took a \$60 million bath because he had neglected to sell. The Malaysians lost \$150 million and ended up with somewhere in the neighborhood of 60,000 tons of unwanted tin.

"Rich's feeble attempt to corner the world tin-market by trying to buy all of Malaysia was a dumb move but not a real disaster," a veteran Southeast Asian metal trader explained. "People in this business are stuck with tons of unwanted metal every day. Rich made a deal, like a lot of us do, that didn't work. What's important is that he made a deal, and a rather large one. This business is about creating situations and that's exactly what Rich knows

how to do. If you think that the money is what's important, you're wrong. The deal is what's really important. You can always find money. But you have nothing unless you have a deal to go along with it."

"It's kind of sad that he got caught," laughed a trader with a shrug of his shoulders. "Now you're going to want to know how we all get away with it."

GARRETED away two flights above a greasy spoon on London's Tudor Street is the consulate of the Republic of Panama. Paint is peeling from the walls of the office and the stench of burned bacon and oil-fried eggs hangs heavy, but this foul-smelling place is Lourdes to those who refer to themselves as "international traders." It is to this dilapidated room that they flock to be cured of the affliction known as taxation.

Sitting behind an old wooden desk, underneath a tattered map of the Republic of Panama, is an attractive secretary with the ability to exorcise the demons of the IRS. The liturgy is simple: "May I please have information outlining the formation, operation, and taxation of corporations under the laws of the Republic of Panama?" one asks.

The secretary hands you a thirteen-page document and says: "You can choose your own name to be incorporated or I can provide you with a selection of titles already incorporated in Panama. When you make your decision please return with \$1,650."

"Will you take a check?"

"Cash only," she says.

The U.S. government believes that Marc Rich was a frequent visitor to numerous Panamanian consultates around the world, establishing dozens of "Sociedades Anónimas" structured to prevent anyone from following the movement of his money. "We all have Panamanian corporations," said a metal trader who funnels millions of dollars his U.S. company earns overseas into Swiss and Dutch banks through two So-

isn't rich
personally
draft
56, 200
11/18/80
P. J. S. S. S.
11/18/80
P. J. S. S. S.
11/18/80
P. J. S. S. S.

5

ciudades Anónimas and a similar corporate scheme offered by Liberia. "It's just smart business practice to avoid paying money that the U.S. has no business asking for," he said.

If someone has a Panamanian corporation, he can conduct legal business transactions in any country, have a small percentage of his profits declared as taxable income (to avoid government scrutiny), and pay the rest to the corporation, whose owners are considered sacredly secret under the laws of Panama. The corporate money can then be filtered into any number of foreign banks whose by-laws also ensure secrecy. Panamanian corporate law is particularly helpful to a businessman with deals in several different countries. Any Panamanian corporation that operates outside of Panama is not required to file financial reports or tax returns and may maintain its books in any manner it desires in any part of the world. This permits a procedure generally known as laundering. For a billion-dollar metal dealer like Marc Rich, it's quite the bargain at \$1,650 plus a \$50 annual franchise tax.

Corporate frameworks similar to that of Panama are aggressively marketed to metal traders by the governments of Switzerland, Singapore, Uruguay, the Bahamas, and the Cayman Islands. "The trick to establishing a successful metal trading business that can operate worldwide is to ensure that a substantial amount of your capital is hidden," advised a metal trader who was then being assisted in camouflaging potentially taxable income in Switzerland by Arthur Moussalli, the managing director of Geneva's Business Advisory Service, which peddles Swiss secrecy laws to businesses. "Our deals involve so much money and so much speed that we could not afford to conduct a substantial portion of our business without having a perfectly legal foreign banking and corporate structure to cushion us from prohibitive tax rates," he added. "Since many of the companies we do business with also have secret foreign accounts and corporations, a portion of the pay-

ment we receive can be exchanged between two secret accounts to avoid taxation. Depending on the circumstances involved, another portion of that money can be exchanged on a different set of books established for purposes of American, British, or whatever country's taxation."

A MORE expensive and complex swizzle is to go out and buy a bank. A few days before this year's LME dinner, at a time when every metal trader in the world was wandering around London figuring out ways to avoid being baked in the afterglow of Marc Rich, a large ad appeared on the business page of the *International Herald Tribune*. The ad had been placed by a man who said his name was Josephson. He offered a "Tax Haven Bank... priced for quick sale at \$60,000." Josephson, who claimed to be an American, held court in the bar of Knightsbridge's Basil Street Hotel, a sleepy place usually reserved for wealthy tourists. But the characters who streamed into the lobby during metal week were not simply Americans in search of the autumn sales at Harrods.

"Privacy is the primary purpose of owning a bank," Josephson hectorated while nursing a tall scotch and water. "The U.S. does not afford privacy to its citizens. Whose damn business is it how much money Marc Rich had? Whose damn business is it how much money anybody in any business has?"

Josephson had traveled to London to dispose of a bank void of any currency or ownership controls that he had established in the Cayman Islands. It was a bank like any other bank, with the ability to issue checks, letters of credit, or cash from a street-corner money machine. The Cayman Islands, he explained, would allow anyone to open a bank if he could produce initial deposits of \$250,000. Once the structure was established, however, the owner could pull out his \$250,000 and sell the bank to the highest bidder. And the bidders for Jo-

sephson's bank were flocking to the Basil Street Hotel like cardinals to the Sistine Chapel to elect a new pope.

"Even in international business it takes days to clear checks of millions of dollars," Josephson explained excitedly. "Nobody in the world can use that money while it is being cleared except the bank. With your own bank you can keep the money working for you and you alone.... You can create your own impenetrable world!"

MARC RICH spent his life brewing deals that percolated money throughout layers of secret accounts, private banks, and corporations protected by foreign governments. He owed no loyalty to any country. His world had become a prism; he could refract and displace billions upon billions of dollars through dozens of countries and companies until they, like light, finally disappeared from view. After leaving Phibro in 1974 he rode the metal bandwagon, sidestepping the politics of nations by acting as a maverick middleman between producers and consumers. But the tightly spun global network he created with a phone call from the Zürich airport could not prevent the oldest and most simplistic of all criminal investigation techniques from unraveling his labyrinthine corporate mysteries. Marc Rich, in the end, was caught because the government found a snitch—a former business associate of Rich's who had himself been indicted for shady business practices and who offered up information on Rich in return for reduced charges for himself.

In 1980 and 1981 Rich and his partner Pinky Green allegedly created an oil racket that deposited over \$71 million in Switzerland to avoid domestic taxes. The bamboozle, according to the U.S. government, consisted of two separate deals that provided a bonanza of profits for the two men. The first deal was amazingly simple. Rich purchased \$200 million worth of oil from Iran with money he had in bank accounts in London, Paris,

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/61 BY SP5 JC/may

196A-1774-196

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 1983	
FBI — NEW YORK	

R

11/17

son's bank were flocking to the
il Street Hotel like cardinals to
Sistine Chapel to elect a new
c.
Even in international business
akes days to clear checks of mil-
s of dollars," Josephson ex-
ined excitedly. "Nobody in the
ld can use that money while it
being cleared except the bank.
h your own bank you can keep
money working for you and you
ne. . . . You can create your own
penetrable world!"

MARC RICH spent his life
brewing deals that perco-
lated money throughout
layers of secret accounts,
vate banks, and corporations pro-
ted by foreign governments. He
ed no loyalty to any country. His
rld had become a prism; he could
ract and displace billions upon
lions of dollars through dozens
countries and companies until
y, like light, finally disappeared
m view. After leaving Phibro in
74 he rode the metal bandwagon,
lestopping the politics of nations
acting as a maverick middleman
tween producers and consumers.
t the tightly spun global network
reated with a phone call from
Zürich airport could not prevent
e oldest and most simplistic of
riminal investigation techniques
m unraveling his labyrinthine cor-
orate mysteries. Marc Rich, in the
d, was caught because the govern-
ment found a snitch—a former
usiness associate of Rich's who
d himself been indicted for shady
usiness practices and who offered
information on Rich in return
r reduced charges for himself.
In 1980 and 1981 Rich and his
rtner Pinky Green allegedly cre-
ed an oil racket that deposited
er \$71 million in Switzerland to
oid domestic taxes. The bambooz-
e, according to the U.S. govern-
ent, consisted of two separate
als that provided a bonanza of
ofits for the two men. The first
al was amazingly simple. Rich
rchased \$200 million worth of
l from Iran with money he had
bank accounts in London, Paris,

and Zürich. The transactions took
place at a time when American
companies were forbidden to deal
with Iran because of the hostage
crisis. Rich operated out of New
York, but the money flowed to Iran
from Switzerland.
London traders say that Rich
would probably have gotten away
with his alleged 6.2-million-barrel
backdoor oil deal had it not been for
a second blatantly illegal scheme.
While he was dealing with Iran
Rich also scooped up oil from old
domestic wells, oil that was under
strict price controls at roughly \$5
a barrel. He then supplied the oil
to West Texas Marketing of Abi-
lene and Listo Petroleum of Hous-
ton. Both companies, the govern-
ment contends, were in cahoots with
Rich. West Texas Marketing and
Listo Petroleum sent the \$5-a-bar-
rel oil on a daisy chain, a process
that propelled the cheap oil through
dozens of shady transactions that
ended with the controlled oil selling
at upward of \$20 a barrel. The daisy
chain was so complicated that it
seemed unlikely that a government
agency could trace the oil's passage.
When the price of the oil reached
its ceiling, the Texans sold it back
to Rich's New York company. The
New York company then middle-
manned the \$20-a-barrel daisy-
chained oil to a host of domestic
petroleum companies at the highest
possible spot price. The agreement
between Rich and the Texans, ac-
cording to the government, required
West Texas Marketing and Listo to
return \$70 million in pumped-up
controlled-oil profits to Zug after
taking a cut. The taxes on the profits
were effectively evaded when the
Texans transferred them to Rich's
Swiss parent company, a foreign
concern protected by Swiss secrecy
laws.
Rich's double oil deal was one of
many shuffles conducted by com-
modity traders every day of the year
in every commodity imaginable.
Traders explain that there exists a
built-in risk factor whenever such
deals are forged. Inherent problems
that the smart trader will finesse. So
when the Justice Department con-
cluded its eighteen-month investiga-

tion into the activities of Marc Rich
International, Rich and his sidekick
Pinky Green eluded the federal col-
lar simply by buying two first-class
tickets to Switzerland, leaving a
zealous team of U.S. prosecutors to
wrangle with the problems of extra-
territoriality. "You Americans have
a tendency to consider firms that
are controlled by Americans but
domiciled in foreign countries to
be under U.S. jurisdiction," ex-
plained Matthias Kraft, a Swiss of-
ficial. "For us, Marc Rich is a Swiss
entity under Swiss jurisdiction. We
cannot accept that an American au-
thority has the right to compel a
company located in Switzerland to
provide information to the U.S.
government."
The Swiss were further outraged
by the Justice Department's rough-
shod attempts to spirit Rich away
from the protection afforded him in
Zug. The U.S. was so bent on hav-
ing Rich behind bars that it failed
to invoke two treaties that would
possibly have allowed prosecutors
access to Rich and his documents.
The failure of the Justice Depart-
ment to put these treaties into ac-
tion alarmed and offended the Swiss
to such an extent that the Bern
government said that release of the
papers would now constitute "eco-
nomic espionage" by the United
States.
MARC RICH, his friends and
colleagues will tell you,
was a good citizen. He
paid taxes, just not enough
of them. He was a true American.
Money delighted his soul but pay-
ing governments for his enjoyment
made him angry. At times he may
have outraged his colleagues, but
he was a force to be admired and
reckoned with because he built a
company that delivered on time.
And the metal men knew that Rich
could create a situation. Rich's ul-
timate situation may well be the
fact that he is now a Spanish citi-
zen, ironically welcomed with open
arms into a socialist country whose
former dictatorial regime he helped
support through lucrative oil and
metal deals. "I'd love to know,"

said a trader in rhodium, "how he
set that deal up."
Even in his own world Rich re-
mains an enigmatic figure. Some
people believe that he was driven
by his hatred of Phibro, others that
it was simply the power money buys
that fueled him. But once the tales
true and apocryphal are removed,
the froth of indictments and ac-
cusations whisked away, you are
left with a simple scrap merchant
—a rag and bone man, as the
British call their junk dealers. It's
a profession born in the back streets
of the Industrial Revolution, in the
effluence of factories, where tired
immigrants pulled junk-laden wood-
en carts with the hope of making
a few cents selling discarded metal
to a furnace in another town. Rich
simply traded in the rickety wooden
cart for a Telex machine. He mas-
tered the rough-and-tumble realities
of junkyard deals, heavy-mannered,
bare-knuckled business techniques
not offered in the Harvard Business
School prospectus.
Traders admired Rich because he
was able to dismantle the sticky
web of mercantilist regulations and
restrictions that hobble the wealth
of nations and their corporations.
Like the old junk dealers who left
no garbage heap unturned in their
search for discarded lead batteries,
zinc cathodes, or copper pipes, Rich
explored, and took advantage of,
every opportunity that would add
to his power, influence, and pros-
perity. "Only a scrap dealer would
have the guts to take on the U.S.
government over what is his and
what is theirs," a metal trader who
comes from three generations of rag
and bone men boasted. "If Rich ul-
timately wins he's a hero. If he
loses he's a martyr."
"The man is still trading mil-
lions of dollars every day," another
trader said in amazement. "Can
you comprehend that? We're all
scared of maybe going down with
him but we're still trading with him.
He has to trade." In the metal
world trading is a process no indi-
vidual or government can contain
with laws or prison cells. There will
always be another deal, another
situation.

Copies to Offices Checked

TO: SAC:

- | | | |
|---|---|---|
| <input type="checkbox"/> Albany | <input type="checkbox"/> Houston | <input type="checkbox"/> Oklahoma City |
| <input type="checkbox"/> Albuquerque | <input type="checkbox"/> Indianapolis | <input type="checkbox"/> Omaha |
| <input type="checkbox"/> Alexandria | <input type="checkbox"/> Jackson | <input type="checkbox"/> Philadelphia |
| <input type="checkbox"/> Anchorage | <input type="checkbox"/> Jacksonville | <input type="checkbox"/> Phoenix |
| <input type="checkbox"/> Atlanta | <input type="checkbox"/> Kansas City | <input type="checkbox"/> Pittsburgh |
| <input type="checkbox"/> Baltimore | <input type="checkbox"/> Knoxville | <input type="checkbox"/> Portland |
| <input type="checkbox"/> Birmingham | <input type="checkbox"/> Las Vegas | <input type="checkbox"/> Richmond |
| <input type="checkbox"/> Boston | <input type="checkbox"/> Little Rock | <input type="checkbox"/> Sacramento |
| <input type="checkbox"/> Buffalo | <input type="checkbox"/> Los Angeles | <input type="checkbox"/> St. Louis |
| <input type="checkbox"/> Butte | <input type="checkbox"/> Louisville | <input type="checkbox"/> Salt Lake City |
| <input type="checkbox"/> Charlotte | <input type="checkbox"/> Memphis | <input type="checkbox"/> San Antonio |
| <input type="checkbox"/> Chicago | <input type="checkbox"/> Miami | <input type="checkbox"/> San Diego |
| <input type="checkbox"/> Cincinnati | <input type="checkbox"/> Milwaukee | <input type="checkbox"/> San Francisco |
| <input type="checkbox"/> Cleveland | <input type="checkbox"/> Minneapolis | <input type="checkbox"/> San Juan |
| <input type="checkbox"/> Columbia | <input type="checkbox"/> Mobile | <input type="checkbox"/> Savannah |
| <input type="checkbox"/> Dallas | <input type="checkbox"/> Newark | <input type="checkbox"/> Seattle |
| <input type="checkbox"/> Denver | <input type="checkbox"/> New Haven | <input type="checkbox"/> Springfield |
| <input type="checkbox"/> Detroit | <input type="checkbox"/> New Orleans | <input type="checkbox"/> Tampa |
| <input type="checkbox"/> El Paso | <input checked="" type="checkbox"/> New York City | <input type="checkbox"/> Washington Field |
| <input type="checkbox"/> Honolulu | <input checked="" type="checkbox"/> Norfolk | |
| <input checked="" type="checkbox"/> ASAC, New Rochelle (MRA) | | |
| <input checked="" type="checkbox"/> ASAC, Brooklyn-Queens (MRA) | | |

Bufile

Urfile

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/mj

Date

11-21-83

RE: *Marc Rich, Fugitive*
RICO / Tax Evasion / Mail Fraud

Validate NCIC Record
Modify to Include FPC

- ☐ Enclosed is subject's identification record. FBI # _____
- ☐ Enclosed is identification record of an individual who may or may not be identical with subject. Endeavor to determine and advise whether these individuals are identical. FBI # _____
- If identical to fugitive, submit supplemental FD-65.
- ☒ A search of the name files of the Identification Division did not disclose a fingerprint record for the above-named fugitive. Endeavor to develop any additional data that will identify this individual with a fingerprint record.
- ☐ Identification record consists only of military fingerprints. Fugitive notice being maintained ☐ identical or ☐ may be identical with FBI # _____
- ☐ Enclosed is information extracted from identification record FBI # _____ as requested in urlet _____
- ☐ Photographs and negatives transmitted herewith. ☐ No photograph available.
- ☐ Photograph may be obtained from _____
- ☐ Original photograph from _____
- ☐ FBI number _____ pertains to one _____
- NCIC CLASSIFICATION:

FINGERPRINT CLASSIFICATION:

Enc.

AUTOMATED SEARCH
DATE.....NOV 28 1983

Posting Section
Identification Division

film and will be furnished upon request
Modify NCIC record.

SEARCHED INDEXED
SERIALIZED FILED

b6

b7C

DO NOT RETAIN PERMANENTLY IN

RK

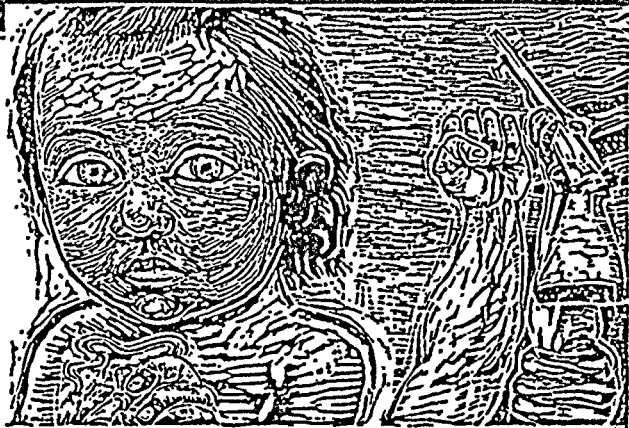
196-1774-197

Harper's

January 1984 \$2.00

Are You Listening, Henry Kissinger?

An open letter to Washington's
tourist in Central America,
by Carlos Fuentes.



How the Barbarians Do Business

Marc Rich made money the
old-fashioned way, by A. Craig Copetas.

TIP-ON MUST NOT
GO ABOVE THIS
LINE →

Where American Conservatives Come From

And where they are going,
by John Lukacs.

War on the Final Frontier

Reagan's Star Wars fantasy
will soon come true, by William E. Burrows.



The Moral Transformation of the Dog

And other thoughts on the
animals among us, by Vicki Hearne.



Richard Grenier at the U.N. . . . T. D. Allman
on the Monroe Doctrine . . . Melvyn
Krauss goes to the opera.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/21/01 BY SP5 JC/mj

196 A-1774-
SEARCHED _____ INDEXED _____
SERIALIZED _____ FILED _____

1983

FBI-NEW YORK

Memorandum



To : SAC II (196A-1774)(P)(M-1) Date 11/29/83

From : SA [REDACTED]

b6
b7C

Subject : MARC Rich - Fugitive ;
Anius Green - Fugitive ;
et al
Rico - FBW - MF - TAX EVASION
OO:NY

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JCL/ma
b6
b7C
b3

Attached subpoena was served on [REDACTED]
[REDACTED]

During the course of document Review of records [REDACTED]

b6
b7C
b3

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 28 1983	
FBI-NEW YORK	

196A-1774-198

ets

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

b3
b6
b7C

THE GRAND JURY WILL GREETING

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the

to testify and give evidence in regard to an alleged violation of Sections

b3

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JCL/may

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y.

b3

Raymond F. Bingham

Clerk.

RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant
Tel.:

Room

b6
b7C

FPI-MAR-4-26-78

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

b3
b6
b7C

Served subpoena on

Return made

TO AVSA

196A-1774

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS
Date 11/28/83

FM NEW YORK (196A-1774) (P) (M-1)

TO ~~DIRECTOR (196B-2848)~~ ROUTINE 0145

LOUISVILLE (196A-744) ROUTINE 2246

BT

UNCLAS

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/22/01 BY SP5 JC/mj

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES.

MARC RICH - FUGITIVE; PINCUS GREENE - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH & CO.; RICO - FBW - MF - TAX
 EVASION - TRADING WITH THE ENEMY (OO:NY).

RENYTELETYPE TO BUREAU, NOVEMBER 21, 1983; AND LOUISVILLE
 TELETYPE TO NEW YORK, NOVEMBER 25, 1983.

ON NOVEMBER 28, 1983, AUSA [REDACTED] (SDNY), ADVISED
 THAT ARREST OF [REDACTED] IS NOT APPROPRIATE AT THIS TIME;
 HOWEVER, [REDACTED] SHOULD BE INTERVIEWED REGARDING INFORMATION IN
 REFERENCED NY TELETYPE TO BUREAU, NOVEMBER 21, 1983.

LOUISVILLE AT [REDACTED] KENTUCKY. 1. ATTEMPT TO LOCATE

[REDACTED] AND CONDUCT INTERVIEW TO DETERMINE: IF [REDACTED]

[REDACTED] ON OCTOBER 20, 1983; WHO [REDACTED]

KNOWS IN D.C. THAT CAN "FIX" THE MARC RICH CASE.

1 - NEW YORK
 1 - SUPV. M-1

MEB:mmis

(2)

Approved: [Signature]

Transmitted _____

(Number)

(Time)

196A-1774-199

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 30 1983	
FBI-NEW YORK	

[Signature]

b6
b7Cb6
b7C

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO

NY 196A-1774

UNCLAS

2. IF [] IS INTERVIEWED AND ADMITS []

[] HE SHOULD BE MADE TO UNDERSTAND THAT HIS ACTIONS COULD
BE VIEWED AS EXTORTION AND HE COULD FACE SERIOUS CONSEQUENCES
IF HE MAKES FURTHER ATTEMPTS TO ASK FOR MONEY TO "FIX" THE MARC
RICH CASE.

LOUISVILLE IS REQUESTED TO SUTEL THE RESULTS TO NYO.

BT

b6
b7C

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0320 3330145Z

RR HQ LS

DE NY

R 281926Z NOV 83

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

LOUISVUKLLE (196A-744) ROUTINE

BT

UNCLAS

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES.

MARC RICH - FUGITIVE; PINCUS GREENE - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH & CO.; RICO - FBW - MF - TAX
EVASION - TRADING WITH THE ENEMY (OO:NY).

RENYTELETYPE TO BUREAU, NOVEMBER 21, 1983; AND LOUISVILLE
TELETYPE TO NEW YORK, NOVEMBER 25, 1983.

ON NOVEMBER 28, 1983, AUSA [REDACTED] (SDNY), ADVISED
THAT ARREST OF [REDACTED] IS NOT APPROPRIATE AT THIS TIME;
HOWEVER, [REDACTED] SHOULD BE INTERVIEWED REGARDING INFORMATION IN
REFERENCED NY TELETYPE TO BUREAU, NOVEMBER 21, 1983.

LOUISVILLE AT [REDACTED] KENTUCKY. 1. ATTEMPT TO LOCATE
[REDACTED] AND CONDUCT INTERVIEW TO DETERMINE: IF [REDACTED]
[REDACTED] ON OCTOBER 20, 1983; WHO [REDACTED]
KNOWS IN D.C. THAT CAN "FIX" THE MARC RICH CASE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JCL/may

b6
b7C

b6
b7C

196A-1774-199

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 30 1983	
FBI-NEW YORK	

R

PAGE TWO

NY 196A-1774

UNCLAS

2. IF [] IS INTERVIEWED AND ADMITS []

[] HE SHOULD BE MADE TO UNDERSTAND THAT HIS ACTIONS COULD
BE VIEWED AS EXTORTION AND HE COULD FACE SERIOUS CONSEQUENCES
IF HE MAKES FURTHER ATTEMPTS TO ASK FOR MONEY TO "FIX" THE MARC
RICH CASE.

b6
b7c

LOUISVILLE IS REQUESTED TO SUTEL THE RESULTS TO NYO.

BT

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 11/29/83

022

FM NEW YORK (196A-1774) (P) (M-1)

~~TO DIRECTOR (196B-2848) ROUTINE~~

(ATTN: SUPV. [REDACTED] - FINANCIAL CRIMES)

BT

b6
b7C

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2/22/01 BY SP5 SC/mj
 CDR # 01-081

U N C L A S

MARK RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL,
 LTD, AKA "CLARENDON A.G."; RICO-FBW-MF-TAX EVASION-TRADING
 WITH ENEMY; OO: NEW YORK

RETELAL FROM NEW YORK SUPV. [REDACTED] TO
 BUREAU SUPV. [REDACTED] NOVEMBER 29, 1983.

b6
b7C

IN REFERENCED TELCAL NEW YORK REQUESTED A CONFERENCE
 AT FBIHQ RELATIVE TO CAPTIONED. REPRESENTATIVES FROM
 DIVISIONS FIVE, SIX AND NINE ARE REQUESTED TO ATTEND. THE
 CONFERENCE SHOULD TAKE PLACE EARLY IN THE WEEK OF
 DECEMBER 5, 1983.

BUREAU IS REQUESTED TO AUTHORIZE TRAVEL FOR SUPV.

①-NEW YORK
 1-SUPV. M-1

DSR:ab
 (2) *ar*
m-1

Corr made on card

196A-1774-200

Approved: *[Signature]*

Transmitted

HQ
 (Number)

(Time)

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 30 1983	
[REDACTED]	
DRK	

b6
b7C

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO NY 196A-1774 U N C L A S

 AND SAS

BT

#

b6
b7C

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

NY0437 3330310

RR HQ

DE NY 022

R 292300Z NOV 83

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2/22/01 BY SP5 JC/mj

FM NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR (196B-2848) ROUTINE

(ATTN: SUPV. [REDACTED] - FINANCIAL CRIMES)

b6
b7C

BT

U N C L A S

MARK RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL,
LTD, AKA "CLARENDON A.G."; RICO-FBW-MF-TAX EVASION-TRADING
WITH ENEMY; OO: NEW YORK

RETEL CAL FROM NEW YORK SUPV. [REDACTED] TO

b6
b7C

BUREAU SUPV. [REDACTED] NOVEMBER 29, 1983.

IN REFERENCED TELCAL NEW YORK REQUESTED A CONFERENCE
AT FBIHQ RELATIVE TO CAPTIONED. REPRESENTATIVES FROM
DIVISIONS FIVE, SIX AND NINE ARE REQUESTED TO ATTEND. THE
CONFERENCE SHOULD TAKE PLACE EARLY IN THE WEEK OF
DECEMBER 5, 1983.

BUREAU IS REQUESTED TO AUTHORIZE TRAVEL

196A-1774-200

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 30 1983	
FBI-NEW YORK	

R

PAGE TWO

NY

1774

U N C L A S

AND SAS

b6
b7C

BT

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 2
Page 5 ~ Referral/Direct;
Page 6 ~ Referral/Direct;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

INVESTIGATIVE SUPPORT INFORMATION SYSTEM (ISIS)

SERIAL FORM

(SER FORMAT)

File (5ch)	Serial (5ch)	Comm-Type (3 ch)	Main-Comm-Type (3ch)	Comm-Date (mm-dd-yy 8ch)
Comm-Ofc (2ch)	Home-Ofc (2ch)	Agt-Init (4ch)		
Event-Date (mm-dd-yy 8ch)				
<input type="checkbox"/> R-To-Lead (1ch)	R-To-Comm-No (14ch)			

Summary -

Memorandum



To : SAC II 1968-1774

Date OCT 21 1981

From : *W* SUPV. [REDACTED] (M-1)

b6
b7C

Subject : MARC RICH
DBA MARK RICH AND COMPANY
[REDACTED]
FBW - ENERGY RELATED
DO:NY

b6
b7C

On OCT 21 1981, Supv. M-1 authorized, in accordance with the Attorney General's Guidelines on ~~Criminal~~ Investigations of Individuals and Organizations, a (General Crimes) (Preliminary) (Racketeering Enterprise) investigation based upon:

(a) The following facts or circumstances, or

(b) the facts and circumstances contained in the attached documents.

SA [REDACTED] MEMO 10/20/81

b6
b7C

DATES OF SUBSEQUENT REVIEW OF JURISDICTION:

W 10/30/81

W 10/26/82

W 8/11/83

W 2/2/82

W 12/16/82

W 10/20/83

W 4/22/82

W 3/18/83

W 8/3/82

W 6/25/82

MAINTAIN AS TOP SECRET

MM0003 3430110Z

RR NY

DE MM

R 0080110Z EDEC 83

FM [REDACTED] b7D
b7F

TO NEW YORK (196A-1774) ROUTINE

BT

UNCLAS E F T O

MARC RICH; FBW; OO: NEW YORK.

[REDACTED] FCI-CUBA; OO: MIAMI.

[REDACTED] TRAVELING TO [REDACTED]

b6
b7C
b7D
b7F

b7D
b7F

BT

#

97
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [REDACTED]

m-1
b6
b7C

196A-1774-202

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 0 1983	

[REDACTED]

13
[Signature]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY

b6
b7C

REC-100-202

JUN 1983
R

Transmit attached by Facsimile - UNCLAS

Precedence immediate

To: SAC, ST. LOUIS

Date: 12/6/83

From: ADIC, NEW YORK (196A-1774) (M-1)

Time: Transmitted - 1200

Subject: MARC Rich - Fugitive;
Pincus Green - Fugitive;
ETAL
Rico - MF - FBW
OO: NYInitials - je☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other FD-356

Special handling instructions:

Provide a photographic copy of Rich's Military
Fingerprint card by 12/9/83. IT is needed
situation. Original will followALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY Approved: LSRb6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 9 1983	
FBI-NEW YORK	

FBI/DOJ

196A-1774-203

b6
b7C



(M-1)

EXT 2943

271-0300

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, <input type="checkbox"/> Alexandria <input type="checkbox"/> San Antonio RE: <input type="checkbox"/> CIA <input type="checkbox"/> Other		Date
<input type="checkbox"/> Baltimore <input checked="" type="checkbox"/> St. Louis <input type="checkbox"/> INS		12/6/83
<input type="checkbox"/> Denver <input type="checkbox"/> WFO <input checked="" type="checkbox"/> MILITARY		
<input type="checkbox"/> Indianapolis <input type="checkbox"/> <input type="checkbox"/> PASSPORT		
Name MARC RICH		Aliases:
Alien Reg. Number	Social Security Number 496-34-3075	Date of Birth 12/18/34
Passport Number	Service Number	Place of Birth Antwerp, Belgium Naturalized 2/14/47-New York
Address		Race W
		Sex M
		Complexion
		Height 5'10"
		Weight
		Hair
		Eyes
Other pertinent information: - He is currently residing in Switzerland and is a Federal Fugitive.		FOR REPLY ONLY
Specific information desired: - Photographic copy of original Fingerprint card if served in military.		<input type="checkbox"/> On basis of information furnished, unable to identify: <input type="checkbox"/> Military <input type="checkbox"/> Passport <input type="checkbox"/> INS <input type="checkbox"/> CIA <input type="checkbox"/> No pertinent identifiable information <input type="checkbox"/> Available information attached <input type="checkbox"/> Photo: <input type="checkbox"/> Attached <input type="checkbox"/> Unavailable <input type="checkbox"/> Handwriting specimen attached Inquiry made by: _____ Date: _____
Also furnish: <input type="checkbox"/> Photo <input type="checkbox"/> Handwriting specimens		Block Stamp and Notations
Return reply to: SAC New York (196A-1774) Attention SA (M-1) File No.		ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 2-20-01 BY
Send copies to: b6 b7C		

Transmit attached by Facsimile - UNCLAS

Precedence

immediate

To: SAC, ST. LOUIS

Date: 12/6/83

From: ADIC, New York (196A-1774) (M-1)

Time: Transmitted - 1215

Subject: MARC Rich - Fugitive;
Pinus Green - Fugitive;Initials - pe☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other FD-356

Special handling instructions:

Provide photographic copy of GREEN's Military
Fingerprint card by 12/9/83. IT IS needed for an
arrest situation. Original will follow

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 9 1983	
FBI-NEW YORK	

FBI/DOJ

Approved: [Signature]b6
b7C

196A-1774-204

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [Redacted]

INSTRUCTIONS

1. Submit form in duplicate (unless used only to request check of State automated motor vehicle records).
2. This form may be submitted in legible HAND PRINTING.
3. Use separate form for each person on whom record is requested.
4. Date & place of birth imperative for passport check.
5. Indicate office for reply in lower left corner. Also list in same corner all offices which should receive copies of reply. Include carbon for each office receiving copies.
6. With regard to military records this form does not apply to deserters.
7. Reverse side of form may be used for recording results, if needed.

TO: SAC, ☐ Alexandria ☐ San Antonio RE: ☐ CIA ☐ Other
☐ Baltimore ☒ St. Louis ☐ INS
☐ Denver ☐ WFO ☒ MILITARY
☐ Indianapolis ☐ PASSPORT

Date

12/6/83

Name

PINCUS GREEN

Aliases:

"Pinky" GREEN

Alien Reg. Number

Social Security Number

Date of Birth

Place of Birth

New York

Passport Number

Service Number

b6
b7C

Address

Race

W

Sex

M

Complexion

Height

5'9"

Weight

Hair

Eyes

Other pertinent information:

- He has served in the U.S. Army.

- He is currently residing in [redacted] and is a Federal Fugitive.

Specific information desired:

A photographic copy of original Fingerprint CARD.

Also furnish:

☐ Photo

☐ Handwriting specimens

Return reply to:

SAC

New York

(196A-1774)

File No.

(M-1)

Attention SA

Send copies to:

b6
b7C

FOR REPLY ONLY

☐ On basis of information furnished, unable to identify:

☐ Military ☐ Passport ☐ INS ☐ CIA

☐ No pertinent identifiable information

☐ Available information attached

☐ Photo: ☐ Attached ☐ Unavailable

☐ Handwriting specimen attached

Inquiry made by:

Date:

Block Stamp and Notations

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [redacted]

b6
b7C

196A-1774

205

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 14 1983	
FBI-NEW YORK	

R

1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK

3 In Re:

4 MARC RICH & CO., A.G.,
5 a Swiss Corporation,

M 11-188

6 Contemnor.

7
8 September 20, 1983
10:00 a.m.

9 Before:

10 HON. LEONARD B. SAND,

11 District Judge

12 APPEARANCES

13 RUDOLPH W. GIULIANI,
14 United States Attorney for the
15 Southern District of New York,
16 LAWRENCE W. PEDOWITZ,
JANE W. PARVER,
17 MORRIS WEINBERG, JR.,
Assistant United States Attorneys

18 PROSKAUER ROSE GOETZ & MENDELSON,
Attorneys for Marc Rich & Co., A.G.
19 MORTON MANEKER,
BRUCE E. FADER,

Of Counsel

20 CURTIS MALLET-PREVOST COLT & MOSLE,
21 Attorneys for Clarendon, A.G.
22 T. BARRY KINGHAM,

Of Counsel

23 ALL INFORMATION CONTAINED
24 HEREIN IS UNCLASSIFIED
25 DATE 2-20-01 BY [REDACTED]

1 (In open court)

2 THE COURT: Good morning.

3 Mr. Weinberg.

4 MR. WEINBERG: Yes, your Honor. Morris
5 Weinberg, Jr. for the United States, your Honor.

6 We first wanted to formally advise you that
7 yesterday the grand jury returned an indictment against Mr.
8 Marc Rich, Mr. Pincus Green, Clyde Meltzer, and the two
9 companies, Marc Rich & Company, A.G. and Marc Rich &
10 Company International Ltd., which now goes by the name of
11 Clarendon.

12 The indictment charges them with various counts
13 of racketeering and racketeering conspiracy.

14 THE COURT: Let me just give you the benefit of
15 knowing what is uppermost in my mind, and that is I am
16 acutely aware of the fact that what is before me had its
17 origin in a motion to quash a grand jury subpoena and the
18 matters which ensued as a result of that motion and the
19 court's directives.

20 Now that there is an indictment, and the
21 criminal case will be assigned pursuant to the rules of the
22 court to a judge who will have responsibility for the
23 criminal aspects arising out of the indictment, what if
24 anything is there that remains before me in this proceeding?

25 MR. WEINBERG: Yes, your Honor. It is our

1 position that Marc Rich & Company, A.G. continues to be in
2 civil contempt of this court's previous orders with regard
3 to production of documents under the A.G. subpoena.

4 Now, I should first advise your Honor that in no
5 way has the investigation, the grand jury investigation,
6 concluded as a result of yesterday's indictment. Indeed,
7 the grand jury is continuing to investigate tax evasion
8 schemes involving amounts that are equal to or maybe even
9 larger than the \$100 million amount set forth in
10 yesterday's indictment.

11 It is also continuing to investigate the areas
12 that your Honor wanted to conduct a hearing on or suggested
13 that he would want to conduct a hearing on. The grand jury
14 is investigating the sale of International that took place
15 the day after your Honor imposed a \$50,000 a day fine. It
16 made it into the name Clarendon. We are investigating back
17 to determine whether or not there was an obstruction of
18 justice there.

19 The grand jury is continuing to investigate the
20 steamer trunk affair to determine whether there was
21 obstruction of justice there.

22 The grand jury is continuing to investigate
23 whether or not any individuals or the companies were
24 involved in the seizure in any way of the Swiss documents
25 by the Swiss authorities.

1 The fourth area that your Honor had indicated
2 that you would like to inquire into in a hearing was the
3 idea of whether or not Marc Rich A.G. was doing business in
4 the United States. We had suggested to your Honor that
5 affidavits had been filed over a year ago by principals of
6 Marc Rich & Company, A.G. and Marc Rich & Company
7 International which had, under sworn affidavits, indicated
8 that Marc Rich A.G. was not doing business here, and
9 further than that, that the principals and employees of
10 International here in the United States never acted as
11 agents for A.G. in deals from the United States. You had
12 asked to look into that.

13 I am here to tell you this morning that I
14 believe, I have been advised by the new counsel for
15 International -- they were counsel that were not in this
16 case when affidavits were filed over a year ago -- but we
17 have been advised by the new counsel that those affidavits,
18 which we believe to be perjurious and false, will be
19 withdrawn. So that that issue I believe, as a result of
20 that, is eliminated as an issue that your Honor would want
21 to look into in the way of a hearing.

22 With regard to the hearing, therefore, we
23 believe that it would be more appropriate and it would be
24 fairer to all of the parties involved to allow the grand
25 jury to continue in the normal secrecy of its proceedings

1 to investigate these three areas, that is, the Swiss
2 seizure, the steamer trunk affair and the International
3 sale, rather than conduct a public hearing at this time.
4 If you, however, wish to proceed, we are ready to proceed,
5 and we believe that the first witnesses that should be
6 called are Mr. Rich and Mr. Green.

7 So that where we are left, your Honor, one, we
8 request that we not proceed with this hearing for the
9 reasons that I have set forth. However, your Honor, we
10 take the position that a number of documents that are
11 subject to the subpoena have not been produced, both for
12 advertent and, according to counsel for A.G., inadvertent
13 reasons.

14 We believe, therefore, that until A.G. can come
15 before your Honor by way of sworn affidavit to address the
16 questions as to whether, one, it had anything to do with
17 the Swiss seizure, and two, as to its current ability to
18 produce these documents, that they continue to be in
19 contempt and the case continues to be before you.

20 I should say at this time that Mr. Pedowitz,
21 Larry Pedowitz, the chief of the Criminal Division of our
22 office, is here. When we had last left you had directed us
23 to make an effort to resolve this Swiss question with the
24 Swiss authorities. Mr. Pedowitz is here to fill you in on
25 all of the efforts that have been made.

1 I should further tell your Honor that an
2 official of the Swiss government, Mr. Leutart, and his
3 lawyer, Mr. Herzstein from the Arnold & Porter firm, are in
4 the courtroom today, and I understand that they are
5 available to answer any questions if your Honor has any
6 questions of them.

7 THE COURT: And I should note that I received
8 yesterday by hand a letter from His Excellency, the
9 Ambassador of Switzerland, which I will mark as Court
10 Exhibit A and make a part of the court record in this case,
11 setting forth the position of the government of Switzerland.

12 (Court's Exhibit A was marked for
13 identification)

14 THE COURT: Before we deal with the matter of
15 the relative positions of the United States and Switzerland
16 to the extent, if any, that it's appropriate to deal with
17 them, let's deal with the question of a hearing, which is,
18 of course, the purpose for which this matter was calendared.

19 You mentioned new counsel. Who is it now who
20 speaks for the respondent here?

21 MR. WEINBERG: When I said new counsel, Barry
22 Kingham is here today from the Curtis Mallet firm, but I
23 wanted to make it clear to the court that the Curtis Mallet
24 firm, for which Peter Fleming is the lead counsel, was not
25 representing the Marc Rich group back in June of 1982, when

1 those affidavits that were filed in front of the court,
2 which the government believes were false, were done.

3 THE COURT: Your position is that we are dealing
4 with conduct, at least insofar as the individuals are
5 concerned, of United States citizens in the United States
6 in violation of American law, and that insofar as an issue
7 had been raised with respect to whether or not the Swiss
8 entities were or were not doing business in the United
9 States, that issue is no longer in dispute.

10 MR. WEINBERG: Right. When those affidavits are
11 withdrawn the Marc Rich group will be formally withdrawing
12 or these individuals will be withdrawing their sworn
13 statements that in effect Marc Rich A.G. was not doing
14 business here, which is contrary, we believe, to all of the
15 evidence in the case.

16 THE COURT: Is there any counsel for any entity
17 interested in these proceedings who quarrels with the
18 suggestion by the government that the court not conduct an
19 evidentiary hearing with respect to the issues previously
20 stated and that those matters be deferred to permit the
21 grand jury to complete its inquiries in the usual manner in
22 which grand juries conduct investigations, that is, in
23 secrecy? Is there anyone who believes that that would be
24 inappropriate and who takes the position that the court
25 should hold such an evidentiary hearing?

1 All right. I will grant then, without
2 opposition, the government's application that an
3 evidentiary hearing not be held, but that those matters be
4 deferred pending the conclusion of the grand jury
5 investigation.

6 Now, you were about to tell me or Mr. Pedowitz
7 was about to tell me what actions have been taken pursuant
8 to the directive of this court that the United States
9 respond to the then outstanding letter of the government of
10 Switzerland and that every effort be made to resolve
11 expeditiously and in a consensual fashion the disagreements
12 between the government of the United States and the Swiss
13 government.

14 Mr. Pedowitz.

15 MR. PEDOWITZ: Thank you, your Honor. Your
16 Honor, when we did last appear before you you did, of
17 course, suggest to us that we communicate as soon as
18 possible with the Swiss government in order to open up
19 lines of communication with that government. We did do
20 that on a very, very prompt basis. A number of informal
21 meetings took place in which representatives of the
22 Department of Justice, including myself, and
23 representatives of the State Department met with Swiss
24 officials in the United States, and we met with, among
25 other people, Mr. Leutart, who is here this morning, the

1 First Secretary of the Swiss Embassy.

2 During our earliest of meetings Mr. Leutart on
3 behalf of his government invited a delegation from the
4 United States to travel to Switzerland to discuss with the
5 Swiss government ways of obtaining prompt access to these
6 documents. Mr. Leutart on behalf of his government at that
7 time suggested that he was quite confident that these
8 meetings would be fruitful. Unhappily, he was wrong. The
9 Swiss government, though at all times entirely courteous to
10 the representatives of the United States, have not been at
11 all helpful in suggesting means of our obtaining prompt
12 access to those very important documents.

13 At the urging of the Swiss a delegation from the
14 United States, including myself, flew to Switzerland and we
15 met in Berne, the capital of that country, with Swiss
16 representatives on September 7 and September 8.

17 I know, your Honor, that you have described this
18 morning a letter which was delivered to you last night, a
19 letter written by the Swiss ambassador, and that that
20 letter provides a rendition of some of the discussions
21 which we had in Switzerland. The Swiss ambassador was not
22 present at those meetings. I was, and I think that there
23 are a number of matters that are not discussed in that
24 letter that should be if a full record is to be made of our
25 meetings with the Swiss government and the positions of our

1 two government's.

2 First, it should be entirely clear that the
3 United States government has made clear at all times to the
4 Swiss government how important the Marc Rich case is to
5 this government.

6 We have explained to the Swiss government that
7 this is the largest tax evasion scheme ever investigated,
8 now ever prosecuted, in the United States. We have
9 explained that the case involves Trading with the Enemy Act
10 violations. We have explained that the case involves
11 racketeering violations. And we have done that pursuant to
12 your Honor's order, a 5(e) order permitting us to discuss
13 in great detail with the Swiss authorities the details of
14 our investigation.

15 Second, we made it entirely clear to the Swiss
16 government that we know a great deal about the documents
17 that they have seized and that those documents are
18 extremely important to the government's ongoing
19 investigation of the Marc Rich enterprises and the
20 individuals that run those companies.

21 I should explain that we insisted when we worked
22 out arrangements with Marc Rich A.G. that we be provided a
23 list of the documents that were seized, as detailed a list
24 as they were capable of providing us. Our ability to
25 obtain that list has permitted us to know a great deal

1 about what is contained in the documents which the Swiss
2 have. We know a great deal about the oil transactions
3 which are discussed in those documents.

4 We advised the Swiss in our discussions that
5 based on our investigation we believe that those documents
6 might well provide evidence of still further tax evasion
7 violations, which Mr. Weinberg has described this morning
8 as at least as great as the tax evasion violations which
9 are described in the indictment which was returned
10 yesterday.

11 In short, we believe, as we suggested the last
12 time we appeared in this court before your Honor on this
13 matter, that these documents are indeed golden nuggets.

14 Third, we made it clear to the Swiss government
15 that if they wished to cooperate in this case to help us to
16 gain access to the documents quickly we believed that there
17 were very simple ways of them doing so, and one way I would
18 like to explain, because it is discussed in the
19 ambassador's letter, and I think it deserves some
20 clarification.

21 The Marc Rich A.G. documents which were seized
22 by the Swiss prosecutor pursuant to an investigation of
23 possible violations of Article 273 of the Swiss criminal
24 law were, of course, documents that were under subpoena
25 from this court. Article 273 is a Swiss criminal law

1 provision prohibiting the making of business secrets
2 accessible to, among other people, foreign governments.

3 The Swiss prosecutor seized these documents not
4 because it had determined already that the documents
5 violated 273, that they indeed contained business secrets,
6 but rather because they were investigating whether 273
7 applied to the documents.

8 Our delegation in Berne, including
9 representatives of the State Department and the Department
10 of Justice and the Swiss Embassy in Berne, suggested that
11 there were numerous reasons for believing that 273 did not
12 apply to these documents and that if the Swiss prosecutor
13 would expedite his investigation we believe the documents,
14 or at least the vast majority of them, could promptly be
15 returned to Marc Rich A.G. and they in turn could promptly
16 be turned over to the United States government pursuant to
17 its subpoena or pursuant to the agreement which Marc Rich
18 A.G. had entered into previously with the United States
19 government on August 5, 1983.

20 Let me explain a few of the reasons for
21 believing that 273 does not apply to these documents. And
22 all of these, I might add, and others, were explained to
23 the Swiss delegation in full.

24 First, Swiss legal advisers in their very
25 delegation advised us that 273 does not apply to documents,

1 such as telexes, that have been transmitted from one
2 country to another. The first five boxes seized by the
3 Swiss government were, we were advised by Marc Rich A.G.,
4 telexes sent from London to Switzerland.

5 Second, the only business secrets that we could
6 see that were being protected by the assertion of 273 in
7 this case were how to defraud the United States government,
8 something that we have already learned all about. This we
9 did not think was worthy of Swiss governmental protection.

10 The A.G. documents, the Marc Rich A.G. documents --
11 I am going to back up for a moment.

12 The Swiss government has taken the position that
13 with respect to Marc Rich International, the company
14 allegedly doing business in the United States, and
15 concededly doing business in the United States, now called
16 Clarendon, are not subject to 273. The theory the Swiss
17 have advanced to us, the explanation for this, is that
18 since Clarendon or International does business in the
19 United States, it would be understood, of course, that any
20 party doing business with that entity would not expect the
21 protections of 273 to apply, a Swiss statute.

22 We explained to the Swiss that Marc Rich A.G.
23 likewise does business in the United States, that
24 notwithstanding affidavits which have previously been
25 submitted in this case by representatives of Marc Rich A.G.

1 and Marc Rich International, it was entirely false that
2 Marc Rich A.G. did not do business in the United States.
3 Indeed, Marc Rich and Pincus Green conducted the very
4 transactions on behalf of A.G. that are discussed in the
5 indictment out of Marc Rich A.G.'s office in New York City.

6 We therefore advised the Swiss prosecutor and
7 the delegation that in our view it was not consistent for
8 them to take the position that 273 did not apply to
9 Clarendon while taking the position that it did apply to
10 Marc Rich A.G..

11 We were given an opportunity to meet briefly
12 with a representative of the Swiss prosecutor's office. He
13 had not been part of the Swiss delegation and never became
14 part of the Swiss delegation, though we had requested that
15 he be made a part.

16 During that meeting the Swiss prosecutor told us,
17 in response to a question which I asked, that 273 would not
18 apply to the documents which had been seized vis-a-vis the
19 United States government if the United States government
20 already knew the business secrets which were contained in
21 those documents, such as the names, the third names, of the
22 parties to the oil transactions which were in the folders
23 which he had in his possession.

24 We advised the Swiss prosecutor that I was in a
25 position to explain to him, since I had a great deal of

1 information about the very oil transactions he had files
2 concerning in his possession, what all of the legitimate
3 business secrets were in those files. I proceeded to do
4 this with respect to one of the more important files that
5 he had in his possession.

6 We were then told by representatives of the
7 Swiss government that it would not be helpful for the Swiss
8 to receive this information.

9 Our delegation explained to the Swiss delegation
10 that this was a Catch 22. Not all of them initially
11 understood what we meant by that term. We explained to
12 them what Joseph Heller had in mind. How could their
13 prosecutor tell us that 273 would not apply to the
14 documents if we already had the business secrets and then
15 tell us that he was not interested in hearing from us what
16 we knew about the business secrets in those documents? We
17 were never given an answer.

18 We also asked how the Swiss prosecutor could
19 conduct an investigation of violations of 273 without
20 knowing what documents had been produced in the United
21 States already and what our government knew previously from
22 other subpoenas, such as subpoenas to American oil
23 companies in this country and to International, which
24 concededly was not covered by 273, about the very documents
25 he had in his possession.

1 We invited the Swiss prosecutor to the United
2 States to review our documents and to show him what we knew
3 about the legitimate business secrets that he had in his
4 files. He declined our invitation.

5 Our delegation left the meeting in Berne
6 convinced that 273 was being used as a blocking statute, a
7 word of art now -- there are blocking statutes in place in
8 a number of countries, such as France; there is no blocking
9 statute that we are aware of in Switzerland at present --
10 that that statute is being employed as a blocking statute
11 by the Swiss and that it would be so be used in future
12 cases to frustrate subpoenas of United States courts for
13 documents located in Switzerland.

14 A word about the Swiss view of the subpoena
15 issued in this case, because I think it is important for
16 the court to understand that.

17 The Swiss have explained to us that they view
18 the subpoena which has been enforced by this court as
19 having an impermissible extraterritorial effect in that it
20 reaches documents in Switzerland held by a party, Marc Rich
21 A.G., that does no business in the United States.

22 We explained to the Swiss that this court, the
23 Second Circuit and the Supreme Court of the United States
24 had an opportunity to pass on this question of the validity
25 of the subpoena and that the subpoena was held valid.

1 Accordingly, while we respected the views of the
2 Swiss government, we also explained to them that we had
3 sworn duties as well and that we had final rulings from
4 this country's judiciary that the subpoena was in fact
5 valid.

6 More importantly, we explained to the Swiss that
7 their view of the subpoena as having an extraterritorial
8 effect was based on an incorrect factual premise. The
9 Swiss had assumed, as Marc Rich A.G. had portrayed in this
10 court, that Marc Rich A.G. did no business in the United
11 States and that it only did business in this country
12 through a wholly owned subsidiary, Marc Rich International
13 A.G. Ltd., now named Clarendon. They therefore felt that
14 A.G.'s documents could not be reached through a subpoena to
15 A.G. because A.G. was not present in the United States.

16 We explained to the Swiss -- and this apparently
17 has not reached the ambassador -- that this factual belief
18 was based on affidavits submitted by A.G. and International
19 that the United States government was now in a position to
20 prove were false. Mr. Weinberg inadvertently said
21 perjurious earlier. We believe the affidavits are false.

22 There may also have been a suggestion that the
23 lawyers had some role in this. We do not believe that to
24 be true at all. We believe that the client is wholly
25 responsible for the submission of those affidavits and

1 those affidavits are palpably false.

2 In fact, Marc Rich A.G. does business through
3 Marc Rich, did business through Marc Rich and Pincus Green
4 in New York City, in International's office in New York
5 City, in connection with the very transactions that are
6 described in the indictment, and those affidavits, we are
7 informed by counsel for Marc Rich International, now
8 Clarendon, are to be withdrawn.

9 We therefore explained to the Swiss that this is
10 a case where the Swiss company doing business in the United
11 States, controlled by United States citizens, was served in
12 the United States with a subpoena for documents that were
13 fortuitously housed in Switzerland. We told them that this
14 did not seem to us to be a case of extraterritoriality, and
15 certainly not the case of extraterritoriality that the
16 Swiss had posited to us when we began the negotiations.

17 The present Swiss position is quite simple. The
18 subpoena, they say, is extraterritorial, without any
19 discussion of the fact that Marc Rich A.G. did and does
20 business in the United States, and they do not like that
21 subpoena. They tell us that the only way to gain access to
22 the documents is to make a treaty request or a request for
23 mutual assistance.

24 Our delegation explained, our full delegation,
25 representatives of the State Department, again, as well as

1 the Department of Justice, that in our view such a request
2 in this case would not be an appropriate way of gaining
3 access to the documents.

4 First, if we proceed under a treaty request or a
5 mutual assistance request third party appeals concerning
6 the names that are contained in those documents could tie
7 us up for months, if not years, in our attempts to obtain
8 those documents. That is precisely the experience which we
9 have had in other cases which the Justice Department has
10 investigated.

11 THE COURT: Do you have any information, any
12 statement you would like to make concerning the
13 ambassador's observation on page 3 of his letter, "The
14 Swiss delegation answered that according to information it
15 had received it is unlikely that Marc Rich & Co., A.G.
16 would file an appeal."

17 MR. PEDOWITZ: I believe that is correct, your
18 Honor. I think it is unlikely that Marc Rich A.G. would
19 file an appeal.

20 The problem is quite simple. The problem is
21 that under the treaty provisions and under the mutual
22 assistance provisions any third party who is referenced in
23 the documents has a right to take an appeal through the
24 Swiss courts.

25 THE COURT: So the number of possible appellants

1 includes a number of other people.

2 MR. PEDOWITZ: They are numerous, your Honor,
3 very numerous.

4 THE COURT: Let me ask you this. I am satisfied
5 that the direction of the court that the United States
6 communicate with the government of Switzerland and that
7 efforts be made to resolve this matter have been
8 implemented, and I regret that there remain differences
9 between the United States and Switzerland, and I would
10 certainly encourage that efforts to resolve those
11 differences be pursued.

12 Obviously, this court is not in a position to
13 issue any orders or directives to the government of
14 Switzerland. Even if it had the power to do so, it would
15 not lightly entertain that.

16 What if anything is there that you want this
17 court to do?

18 MR. PEDOWITZ: Your Honor --

19 THE COURT: And the other question is, which
20 either you or Mr. Weinberg can answer -- the purpose of
21 this proceeding is to compel compliance by the parties
22 served with the grand jury subpoena -- what is there that
23 you believe that Marc Rich can do, has the power to do,
24 which makes appropriate the continuation of this matter
25 before me, and as a related question, makes appropriate the

1 continued imposition of any sanctions against Marc Rich,
2 especially the fine? What is the status with respect to
3 the fine?

4 MR. PEDOWITZ: Your Honor, as I understand it,
5 payments were made through the 12th of September of \$50,000
6 a day during the interim period. As I understand it,
7 additional moneys were due on Friday, since we now returned
8 to the payment schedule under your order, and it is my
9 understanding that that payment has not been made.

10 Your Honor, your second question was what is our
11 position with respect to continued contempt by Marc Rich
12 A.G. We would like to address that issue with you in your
13 chambers or outside the presence of the public. We suggest
14 that for reasons which we will explain to you in detail
15 when we can see you. We would be delighted to have the
16 lawyers, of course, for the parties present. But we think
17 that some of our suggestions could be frustrated if we did
18 not have an opportunity to speak with you in private about
19 this.

20 Your Honor, if I may, I would like to conclude
21 my remarks, because I do not want the Swiss government left
22 with any misimpressions as to what our position is, and I
23 just have a moment or two more.

24 THE COURT: Yes.

25 MR. PEDOWITZ: Your Honor, I have not responded

1 to all of the points in Ambassador Hegner's letter. I
2 think it is appropriate that we do so, and that we do it in
3 writing, and we intend to do that.

4 I should add that I believe we proposed a number
5 of innovative solutions in Berne to these problems that
6 would, I believe, have accommodated each government's
7 interests. Unfortunately, we were unable to convince the
8 Swiss government of that.

9 I should underscore that our representatives
10 have at all times been treated with the utmost courtesy by
11 the Swiss government. We are two friendly nations that are
12 at the moment in disagreement. We are hopeful, as is the
13 State Department, that we will as yet be able to work out
14 an accommodation with the Swiss concerning their position
15 on these documents.

16 Your Honor, on a related subject, very briefly,
17 we are hopeful that the Swiss government will cooperate
18 with us in securing the presence of Mr. Rich and Mr. Green
19 in the United States. The Swiss government has been
20 extremely cooperative in the past with our government in
21 processing our extradition requests.

22 We have every reason to believe that Mr. Rich
23 and Mr. Green, based on their conduct in recent months,
24 will become fugitives from justice. We anticipate seeking
25 extradition on this indictment or on a superseding

1 indictment that may make it easier to secure extradition.

2 We also hope that the Swiss may assist us, as
3 they have in the past, in using other means to help us
4 secure Mr. Rich's and Mr. Green's presence in the United
5 States. As I understand it, Mr. Rich and Mr. Green are
6 effectively guests of the Swiss government at present in
7 Swiss territory. They may be determined to be unwanted
8 guests.

9 Your Honor, at this point we really have nothing
10 further, other than our suggestion that we see you, if
11 possible, outside of open court.

12 THE COURT: First, is there anybody who wishes
13 to be heard in open court?

14 And second, is there any anyone who objects to
15 the government's suggestion that I see the parties not in
16 open court?

17 I acknowledge the fact that although all
18 unspoken, the media objects to that.

19 I grant the request with some reluctance, but
20 grant it nevertheless. I will see counsel and the reporter
21 in the robing room.

22 (In the robing room)

23 MR. MANEKER: I would like a little
24 clarification before I participate, Judge.

25 Obviously if there is some restriction on me as

1 to what I may say about this outside this room my presence
2 here serves no purpose, and I just want to know what the
3 ground rules are.

4 THE COURT: I have no idea what the purpose of
5 this proceeding not in open court is. I granted the
6 request because I thought that I was going to hear from the
7 government some suggestion as to a procedure which perhaps
8 had already been discussed with counsel for Marc Rich and
9 to some extent was agreed upon.

10 MR. WEINBERG: Maybe I can just outline --

11 THE COURT: Before you do that, I think Mr.
12 Maneker is entitled to a response to his question to know
13 the ground rules of this conference, and specifically he
14 wants it made clear that he will be under no inhibitions
15 with respect to any statements that he might wish to make
16 concerning what is discussed in this room. He is entitled
17 to a response to that from the court, and prior to making
18 such a response I would want to hear from the government,
19 although I do have some question as to why we are not in
20 open court if that is going to be the case.

21 MR. WEINBERG: Maybe I can explain.

22 THE COURT: Yes.

23 MR. WEINBERG: Basically, your Honor, we may
24 well at the end of this request an order from the court
25 prohibiting Marc Rich & Company, A.G. and any of its

1 representatives from communicating to the Swiss government
2 what it is that we discuss today in the way of hopefully
3 attempting to have produced to the government those
4 documents that we believe are responsive to the subpoena.

5 THE COURT: You know, I am getting more and more
6 apprehensive as to the appropriateness of this, and maybe
7 we should just go back into open court and maybe you should
8 request an adjournment of these proceedings for all
9 purposes in order to enable the suggestions that the
10 government has to be explored in private discussions with
11 counsel, perhaps embodied in an order submitted to me for
12 signature.

13 The sense that I have from the expressions both
14 by Mr. Maneker and now by you, Mr. Weinberg, is perhaps
15 this simply isn't right. Unless there would be some reason
16 not to do that, I would think the preferable procedure
17 would be simply to adjourn this matter for an interval of
18 time which you believe would be appropriate, which both the
19 government and Mr. Maneker believes is appropriate, that I
20 schedule it again. That will give you ample opportunity,
21 as privately or as publicly as the respective parties deem
22 appropriate, to seek to advance a resolution of this.

23 MS. PARVER: Your Honor, just so the record is
24 clear, the overriding reason why we requested this be done
25 in camera was because in order to explain to you why we

1 believe that Marc Rich & Company, A.G. is still in contempt
2 with respect to production under the grand jury subpoena we
3 have to discuss the grand jury documents, and the
4 government is restricted, pursuant to Rule 6(e) of the
5 Rules of Criminal Procedure, from doing so in open court.
6 We would have to discuss specific documents and why we
7 believe those are responsive to the subpoena.

8 THE COURT: What is the government's position
9 with respect to the court's suggestion that we simply
10 adjourn this matter?

11 MR. PEDOWITZ: I think, your Honor, that we will
12 be back to see you shortly. I am going to suggest one
13 other procedure.

14 THE COURT: Yes.

15 MR. PEDOWITZ: The court's order, of course, is
16 still in place, the contempt order. It requires payments I
17 believe on Mondays and Fridays. The payment was not, as I
18 understand it, made on Friday. I do not know whether that
19 was inadvertent or deliberate.

20 It would be helpful to have some clarification
21 of what the position is of Marc Rich A.G. if we are to
22 adjourn this morning.

23 MR. MANEKER: The last agreement entered into
24 between A.G. and the government provided for the payment of
25 daily fines from August 20, 1983 through September 12, 1983.

1 On September 13, 1983, in the morning, I
2 telephoned Mr. Pedowitz, along with one or two of my
3 partners, I believe -- there were several of us on the
4 phone -- and called his attention to the fact that the
5 daily fine ended the day before and there would be no
6 further payments.

7 Mr. Pedowitz expressed I believe some surprise
8 at not recalling the particular date, but said he would
9 check the agreement. We said if he had any problem would
10 he let us know, and we have not heard.

11 THE COURT: If I adjourn this matter for ten
12 days, if that seems to be an appropriate period of time, is
13 Marc Rich agreeable to striking September 12 and
14 substituting a date ten days from today and making the
15 payments which would be appropriate with that altered date?

16 MR. MANEKER: No, your Honor. I would point out
17 that if the government does wish to contend, despite what
18 you hear in the courtroom, there is some continuing act on
19 the part of A.G. that constitutes a contempt of this court,
20 that should be heard and determined before payments are
21 made.

22 I would appreciate that there is some concern
23 whether money is forthcoming, is available to meet those
24 fines, were you at some future date to determine that they
25 have accrued, and would point out that under the agreement --

1 THE COURT: I am anxious to get back into open
2 court and it seems to me that all that I am hearing now I
3 could as well be hearing in open court.

4 Let me simply ask you, with respect to such a
5 hearing, when would you want it to be held?

6 MR. PEDOWITZ: Your Honor, our position is --
7 and this should be very clear. I listened to Mr. Maneker.
8 I understood what he said. There may be some
9 misunderstanding between us.

10 My understanding was the question was whether or
11 not the payments are going to be made every day or on a
12 different basis. Your Honor's order is clearly in place.
13 The agreement speaks to payments thereafter not on a daily
14 basis, after the 12th. I do not understand how Marc Rich
15 A.G. can take the position that they are not presently in
16 contempt under the court's order.

17 MS. PARVER: This is the agreement, your Honor.

18 MR. PEDOWITZ: Paragraph 3, your Honor. Of
19 course, your Honor's order is as plain as it can be.

20 MR. MANEKER: You had that information for a
21 week and this is the first time we hear such an objection.

22 THE COURT: Let's return to open court.

23 MR. KINGHAM: Your Honor, may I make a
24 suggestion before we do?

25 THE COURT: Yes.

1 MR. KINGHAM: I represent Clarendon with respect
2 to these proceedings and I have some knowledge with respect
3 to this that I would appreciate being taken up in the
4 robing room and not in open court.

5 THE COURT: Very well.

6 MR. KINGHAM: As your Honor knows, in connection
7 with the indictment there was an order of restraints and
8 prohibitions which was consented to both by A.G. and by
9 Clarendon. It is very similar and, indeed, identical in
10 many respects to the existing restraints which your Honor
11 imposed, again, pursuant to agreement. So there are many
12 restraints running from Clarendon and from A.G. to the
13 government.

14 When we first proposed to the government last
15 week, that is, counsel for Clarendon, that some arrangement
16 be made along those lines we inquired about the \$50,000 a
17 day and were told by counsel for the government that that's
18 a matter that would be taken care of at a later point.
19 That was fine and we didn't raise it again and we didn't
20 discuss it with the government again. That was last
21 Tuesday or Wednesday.

22 I might make the suggestion that your Honor put
23 the matter over for ten days, particularly because, as I
24 understand it, A.G. has retained new counsel. Arthur Liman
25 has been asked to represent A.G., is in the process of

1 making a final commitment to do so. Upon resolving a
2 conflict, which I understand has been resolved, they just
3 have to sign off on it.

4 THE COURT: My preference would be to do exactly
5 that, to defer the hearing for ten days, that is, the
6 hearing as to whether or not Marc Rich is in contempt,
7 making appropriate the imposition and collection of the
8 \$50,000 a day fine. It would seem to me that would be in
9 everybody's best interest.

10 The government is raising the point that by
11 virtue of the inconsistency or the disagreement between the
12 parties as to the interpretation of that provision the
13 \$50,000 a day fine is not being paid, so that that
14 procedure would incur a degree of risk of collection on its
15 part.

16 MR. MANEKER: I was about to say -- and I am
17 perfectly willing to do this in open court -- but there is
18 security of many millions of dollars which would cover some
19 great multiple of ten day's fines.

20 THE COURT: Do you have an objection to putting
21 \$50,000 a day from the period of the last payment into some
22 separate escrow account?

23 MR. MANEKER: Yes, your Honor. We do not think
24 we should be paying contempt fines when we are not in
25 contempt. We have put up security, as I say --

1 THE COURT: Are you prepared to hold the hearing
2 on whether or not you're in contempt at the earliest
3 available time on the court's calendar?

4 MR. KINGHAM: Your Honor, may I speak with Mr.
5 Maneker for two minutes?

6 MR. MANEKER: As Mr. Kingham pointed out, within
7 a matter of a very few days I do not expect to continue to
8 be counsel.

9 THE COURT: I am going to declare a five-minute
10 recess so that you can discuss that matter with the
11 attorney who will have the ongoing burden, because I am put
12 in this position: I am put in the position of a request
13 for a delay which would, among other things, enable
14 incoming counsel to acquire familiarity with the matter and
15 a position taken by the outgoing counsel which might propel
16 an immediate hearing.

17 Now, the client has to speak with one voice. I
18 will take a five-minute recess to enable counsel for Marc
19 Rich, incoming, outgoing, or whatever, to confer with each
20 other, and then I will hear their position in open court.
21 We will resume in open court.

22 (Recess)

23 THE COURT: All right. We can resume.

24 Let me say, in answer to an inquiry that has
25 been made, the letter from the Ambassador of Switzerland is

1 a public document and will be filed with the clerk and is
2 available to any interested party.

3 Let me simply say in open court that what
4 occurred in the robing room is what not infrequently occurs
5 in the robing room, and that is there was a preliminary
6 discussion as to what was appropriate to be dealt with in
7 the robing room as distinguished from open court and what
8 agreements if any would exist with respect to other
9 statements made by any of the parties outside of the robing
10 room with respect to what transpired in the robing room,
11 and since there was some disagreement with respect to that
12 it was the court's view that the matter had best be dealt
13 with in open court, and so nothing of a substantive nature
14 in fact has taken place since the last open court
15 proceeding.

16 Now, as I view the situation, the only matter
17 which is currently before me and which requires my
18 attention is whether Marc Rich & Co. is presently in
19 contempt of the subpoena and the court's outstanding orders,
20 and that is whether there is something which Marc Rich &
21 Co. can do, has been ordered to do, and is not doing. That
22 is the question as to which the parties are in fact in
23 disagreement and is an issue which would require resolution
24 by this court after hearing from the parties and perhaps,
25 if necessary, taking evidence. The question that next

1 arises is when such a hearing should be held.

2 Mr. Weinberg or Mr. Pedowitz, what is the
3 government's position, A, with respect to the accuracy of
4 the court's statement that that is the only immediate
5 matter before me, and two, with respect to the government's
6 position with respect to timing.

7 MR. PEDOWITZ: Your Honor, I think your
8 statement is entirely accurate. There was some mention in
9 the robing room of a ten-day adjournment to determine that
10 issue. That is acceptable to the government if we are able
11 to work out satisfactory arrangements with respect to the
12 \$50,000 a day fine which is presently pending.

13 Your Honor had requested of counsel for Marc
14 Rich A.G. to determine what their position would be with
15 respect to that fine. As I understand it, they are not in
16 a position to presently communicate with their client. The
17 client, of course, is in Switzerland, and while reachable
18 by phone, having dealt recently with flesh and blood
19 clients, I understand their difficulty in being able to
20 obtain a response, an immediate response.

21 What I would suggest, your Honor, is that we
22 adjourn that particular issue, what is to be done with
23 respect to the \$50,000 fine, until sometime early tomorrow
24 afternoon, during which time the government hopes to be
25 able to work out with attorneys for Marc Rich A.G.

1 appropriate arrangements with respect to that \$50,000 a day
2 fine.

3 THE COURT: Is that arrangement agreeable?

4 MR. MANEKER: Yes, it is, your Honor.

5 THE COURT: All right. We will adjourn then
6 until 4:30 tomorrow the question of the interim payment of
7 the fine at the rate of \$50,000 a day from the date of the
8 last payment until the resolution of the matter which will
9 be the subject of the hearing.

10 If that is worked out consensually, and subject
11 to resolution of that matter, we will adjourn for ten days,
12 that is, until -- well, we are going to run into the
13 Judicial Conference, I believe -- until October 3 at 4:30
14 the hearing on the question whether Marc Rich & Co. is
15 presently in contempt and subject to continuing sanctions,
16 and the perhaps subsumed question of whether that contempt
17 has been continuous at all relevant times.

18 Is there anything further?

19 Very well. We are adjourned then until 4:30
20 tomorrow.

21 (Court adjourned)

22

23

24

25

L

Marc Rich Ex-Unit Has \$22 Million Seized by the IRS

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—The Internal Revenue Service seized approximately \$22 million from Clarendon Ltd., the former subsidiary of Marc Rich & Co.

The money was seized as part of a "jeopardy assessment" by the IRS. As reported, the agency is seeking to collect \$90 million it contends it is owed in back taxes, penalties, and interest.

Although the IRS was cleared by a federal court judge more than a week ago here to seize the money, it wasn't known whether the agency had actually taken the action. The \$22 million figure was disclosed in recently filed court papers.

At a hearing related to the IRS action held in federal court here yesterday, lawyers for Clarendon and the government said the IRS was able to find only \$22 million in Clarendon bank accounts. IRS officials are continuing to search for additional funds, they added. If it is eventually found that Clarendon doesn't owe additional taxes, the money would be returned with interest.

The IRS seizure arises out of a 51-count indictment of Marc Rich, two of its principal officers and others on charges of tax evasion, racketeering and fraud.

The IRS can declare a jeopardy assessment when it believes that ultimate collection of a levy might be jeopardized. In a hearing in federal district court yesterday, Anthony Amoruso, an IRS group manager, said the IRS declared an assessment because of "a pattern of evasiveness" by the giant Swiss-based commodities trader and a fear that Clarendon might become insolvent.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [REDACTED]

b6
b7c

196A-1774-206

R

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 19 1983	
FBI NEW YORK	

d

196A-1774-207

b6
b7C

	SEARCHED	INDEXED
	SERIALIZED	FILED
DEC 15 1983		
FBI-NEW YORK		
mup3		

FRIEDRICH KRUPP GmbH

Altendorfer Str. 103,
D-4300 Essen 1,
Germany

Summary *Krupp is one of the oldest and largest German steel companies. The company is integrated forward into mechanical engineering and shipbuilding. In 1978 the extensive trading and transport activities and plant engineering and construction accounted for half of total sales. Foreign investments, mainly in steel fabrication in Brazil, are not consolidated.*

Structure

Friedrich Krupp GmbH is a holding company. Activities are divided into the five sectors described below. Within these sectors, operating responsibility rests with large, organizationally independent incorporated and unincorporated subsidiaries of the holding. Each of these large operating units is responsible for its foreign operations.

Products**Steelmaking**

Activities are under control of Friedrich Krupp Huttenwerke AG (FKH) and its subsidiaries and affiliates. The FKH group produced 5.1 million metric tons of crude steel in 1978. Part of the iron ore requirements are supplied from an interest in a Liberian joint venture while a 6% share in Ruhrkohle AG secures coal for the group. Abroad, FKH has minority interests in a large Brazilian foundry and specialty steel producers in Argentina and Mexico. Principal products include: special steels, high-grade steels, tonnage steels; rolled steel products; processed steel products; shop products; by-products; forged products; consulting, planning and managerial services for the production and processing of iron and steel.

Mechanical Engineering

Products include diesel engines; marine radar and other navigation systems; sonar systems; radio monitoring systems; spinning machines and systems; *WIDIA* tools; Krupp magnetic materials; Krupp dental products; special forgings; iron castings; titanium products; leaf springs for automobiles; wear parts for agricultural machines; vehicle components, etc.

Plant Engineering and Construction

Activities are managed by Krupp Industrie- und Stahlbau, Maschinenfabrik Buckau R. Wolf AG, Polysius AG, Krupp Atlas Maschinenbau and Krupp-Koppers GmbH. Their main products include: mining, bulk-handling and production plant engineering; plantmaking; structural engineering; mechanical engineering; cranes; project management; system studies; plants and equipment for handling metallic and non-metallic minerals; steel structures and machines; plants and machinery for the plastics industry, sugar industry, cement industry, chemical industry, etc.; desalination plants; petroleum refineries; coal gasification plant, and many more.

Shipbuilding

AG Weser, one of the largest German shipyards, builds ocean-going vessels while Ruhrorter Schiffswerft, part of Krupp Reederei und Brennstoffhandel, builds vessels for inland waterways. AG Weser's main products are: container ships; cargo vessels; oil tankers; refrigerated cargo vessels; steam turbines; tugs and barges; mooring systems; pollution control systems; ship repairs; consulting, planning and management services for ocean and inland shipping, shipbuilding and fishing, and many more.

Trading and Services

Krupp Stahlhandel trades mainly in steel products, sanitary and heating equipment and a wide range of industrial and building equipment. Krupp Reederei und Brennstoffhandel manages trade in solid and liquid fuels as well as ocean and inland shipping. Krupp also has a number of service subsidiaries engaged in printing, R&D, data processing, housing and insurance.

In addition to the five business sectors, Krupp has minority shares in the following important companies:

- VFW- Fokker, the large Dutch-German aerospace company
- Rheinische Kalksteinwerke GmbH: limestone
- Elektrowerk Weisweiler GmbH: ferro-chromium.

Product Sales %	1979	1978	1977	1976	1975
Steelmaking	37	34	36	28	25
Trading & Services	27	26	27	29	28
Plant Engineering & Construction	22	24	20	23	27
Mechanical Engineering	11	11	10	12	12
Shipbuilding	3	5	7	8	8
Total %	100	100	100	100	100
Total Sales Welt (DM million) (incl. intra-co.)	14,266	13,320	12,648	11,138	10,683

196A-1774-207

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [redacted]

b6
b7C

Background

The company's origins date back to 1811 when Friedrich Krupp founded a factory in Essen to manufacture cast steel and derived products. Under his son Alfred the company expanded rapidly based on the production of railway and military equipment. Krupp was the first company to introduce the Bessemer and open hearth steelmaking processes on the Continent. By the 1860s the company was vertically integrated from coal and iron ore mining to metal working. The company was also a pioneer in providing benefits to its employees, such as health insurance, pensions and housing. In the 1880s and 1890s Krupp expanded through horizontal integration and also acquired the large Germania shipyards. During World War I the company was Germany's major arms' supplier. During the 1920s Krupp, under the direction of Gustav Krupp von Bohlen und Halbach, developed its non-military business in locomotives, motor vehicles, farm machinery, plate fabrication and chemical process equipment. In 1926 the company introduced its 'Widia' sintered carbide which revolutionized the machining of metals. During World War II, Krupp was again a major arms supplier. The AG Weser shipyards were acquired in 1941. Alfred Krupp, who had taken over the company during the war, was sentenced in the Nuremberg trials but was released and took over the management of the firm again in 1953. The coal and steel assets were separated under an Allied divestment order which was repealed in 1968. At that time the coal-mining activities were transferred to Ruhrkohle AG and the company assumed its present form. Shortly before his death in 1967 Alfred Krupp transferred ownership of the company from the family to a foundation. After the war the main strategy was to re-build the company and consolidate its interests in fabrication, trading and engineering. Limited foreign investments were made in the 1950s and 1960s, mainly in Brazil. Since the company regained its steel assets in 1968, operations were further streamlined with the creation of five business sectors. Steel capacity was strengthened with the acquisition of Stahlwerke Südwestfalen in 1974.

FRIEDRICH KRUPP GmbH

Financial year: 31 December

FIVE-YEAR SUMMARY (DM million)

Currency: DM

	1979	%	1978	%	1977	%	1976	%	1975	%
Total Net Sales Welt	12,787		11,899		11,169		9,734		9,318	
Konzern	11,673		10,986		10,413		9,016		8,583	
By Foreign Subs (incl. exports)		40		40		41		38		44
Industrialized Countries		17		16		17		16		18
LDCs		14		12		11		15		19
OPEC		4		7		9		4		4
Comecon		4		5		5		3		4
By Foreign Subs		11		10		9		8		9
Exports Welt		29		30		32		30		35
Net Profit Konzern	64		(19)		3		1		(61)	
Foreign Net Profit										
Foreign Exchange Gains/(Losses)										
Total Assets Welt	9,056		8,723		8,495		7,272		7,072	
Konzern	8,298		7,965		7,815		6,664		6,502	
Foreign		12								
Shareholders' Equity ¹ Welt	2,161		2,092		1,763		1,328		1,324	
Konzern	2,034		1,978		1,633		1,211		1,182	
Foreign Net Assets		15								
Long-Term Debt ² Konzern	1,959		1,922		2,181		1,808		1,919	
Capital Expenditure Konzern	410		264		303		435		465	
(fixed assets only)										
Abroad										
R&D Expenditure										
Abroad										
Total Employees Welt	86,200		84,700		86,600		76,200		78,900	
Domestic		89		90		91		90		90
Abroad		11		10		9		10		10

Notes Consolidation: 'Welt' refers to the accounts of the parent company and its majority-owned domestic and foreign subsidiaries; 'Konzern' includes the parent company and 42 majority owned domestic subsidiaries.

- 1 Shareholders' equity = capital + general reserves + minority interests in consolidated subsidiaries + special reserves + reserves for risks on receivables. 2 LTD = four years or longer.

Current Situation

Since 1974 the company's performance has been severely affected by the worldwide recession in the steel and shipbuilding industries and increasing competition from government-subsidized companies in these sectors. To counter this threat Krupp has reacted by rationalizing production and orienting it towards high quality grades; and by shifting investment to the engineering, trading and fabrication areas. Due to the lack of profits, cash flow is almost entirely borne by depreciation and capital expenditures had to be reduced in 1977 and 1978, but increased in 1979 with return to profitability. Plastics machinery interests extended with 1 January 1980 purchase of Gildemeister Corpoplast Maschinen GmbH, and forgings expanded with acquisition of Gerlach-Werke GmbH.

Major Shareholders

As of 31 December 1979, Alfred Krupp von Bohlen und Halbach-Stiftung, a foundation, owned 74.99% of the capital and the Government of Iran 25.01%.

Principal Subsidiaries (wholly owned unless otherwise stated)

STEELMAKING

Germany:

- Fried. Krupp Hüttenwerke AG (70%).¹
- Schmiedewerk Christine GmbH.¹
- Siegener Rohstoff-Verwertungsgesellschaft mbH.¹
- Zapp-Fortuna GmbH.¹
- Federnwerke Paul Plate GmbH.
- Krupp Hüttenwerke Wohnungsbau GmbH.²
- 'Fried. Krupp Hüttenwerke' Unterstützungs-Gesellschaft mbH.²
- Gerlach-Werke GmbH (58.2%).²
- Vacmetal Gesellschaft für Vakuum-Metallurgie mbH (50%).²
- Krupp Stahltechnik GmbH (the other 50% are held by Fried. Krupp GmbH) (50%).¹
- Martin & Pagenstecher GmbH (34%).²
- K.M.R. 'Seereederei Frigga'—Beteiligungsgesellschaft mbH (33.3%).²
- Veba Wohnstätten AG (20.9%).
- Rohstoffhandel GmbH (30%).²
- Liberiaerz-Beteiligungsgesellschaft mbH (28.5%).²
- Rheinisch-Westfälische Wohnstätten AG (20%).²
- Ruhrkohle AG (6.2%).²
- Krupp Stahlwerke Südwestfalen AG (99%).¹
- Stahlwerke Brüninghaus GmbH, Schwerte-Westhofen.¹
- Hüttenkonsum Geisweid GmbH.¹
- Betriebsunterstützungskasse Brüninghaus Thomee GmbH.²
- Argentina: Aceros Fortuna SA (43.7%).²
- Austria: Fortuna Edelstahl Vertriebsges. mbH.²
- Belgium: S.P.R.L. Aciers Fortuna PVBA.²
- Brazil: Forjaria São Bernardo SA (33.3%).²
- France: Aciers Fortuna SARI.²
- Italy: Acciai Fortuna SpA (85%).²
- Mexico: Aceros Fortuna SA (41.4%).²
- Netherlands: Smitfort Staal BV (40%).² Ertsoverslagbedrijf Europoort CV (30%).²
- UK: Fortuna Special Steel Co. Ltd.²
- USA: Fortuna Specialty Steel Corp.²

SHIPBUILDING

- Germany: Aktien-Gesellschaft 'Weser' (86.5%).¹ Bremer Hotelgesellschaft mbH (73.8%).²

PLANTMAKING

Germany:

- Krupp Industrie- und Stahlbau.
- Krupp Stahltechnik GmbH (the other 50% are held by Fried. Krupp Hüttenwerke AG) (50%).¹
- Kautex Maschinenbau GmbH.¹
- GST Gesellschaft für Systemtechnik mbH.¹

¹ Consolidated subsidiaries.

² Non-consolidated subsidiaries.

Principal Subsidiaries (Plantmaking)—continued

Esch GmbH.¹
 Esch-Werke KG (90%).¹
 Krupp-Reifenhäuser GmbH (75%).¹
 Krupp Polysius AG (82.5%).¹
 Polysius Wohnungsbau GmbH.²
 Polysius-Hilfe GmbH.²
 Krupp Atlas Maschinenbau.
 Maschinenfabrik Buckau R. Wolf AG (82%).¹
 Stahlwerk Augustfehn AG.¹
 Zeitzer Eisengießerei und Maschinenbau AG (ZEMAG).
 Walther & Cie. AG (99%).¹
 Franz Robertz GmbH.¹
 Robert Reichling & Comp. GmbH.¹
 Intercontinental Montage GmbH.²
 EVT Energie- und Verfahrenstechnik GmbH (33.3%).²
 Krupp-Koppers GmbH.¹
 Koppers Maschinen- und Apparatebau GmbH.²
 Koppers Wohnungs GmbH.²
 Koppers Export GmbH.²
 Gesellschaft für Meß- und Regeltechnik mbH.²
Australia: Krupp (Australia) Pty Ltd (99.9%).²
Belgium: Ateliers Louis Carton SA (99.9%).²
Brazil: Koppers Projetos Industriais Ltda.;² Krupp Industrias Mecanicas Ltda (60%).²
Canada: Krupp Industries (Canada) Ltd.²
Colombia: H.B. Estructuras Metalicas SA (26.5%).²
France: S.T.R. Strasbourg Entreprises SA (49.9%);² Walther France SARL;² Polysius SA (99.9%);² Koppers France SA.²
India: Buckau-Wolf New India Engineering Works Ltd (49.9%).²
Japan: Nippon Koppers Yugen Kaisha.²
Mexico: Nomon SA (68.5%).²
South Africa: Polysius (Pty) Ltd (99.9%).²
Spain: Krupp Iberica SA;² Prensas Riba SA (50%);² Polysius SA;² Koppers Española SA.²
UK: Polysius Ltd (99.9%).²
USA: Polysius Corp.²

MECHANICAL ENGINEERING
Germany:
Krupp MaK Maschinenbau GmbH.

MaK Maschinenbau GmbH.¹

MaK Wohnungsbaugesellschaft mbH.²

Krupp Atlas-Elektronik.

C. Plath GmbH—Nautisch-Elektronische Technik (51%).¹

MUG Marine-Unterwasseranlagen-Planungsgesellschaft mbH (40%).²

MEG Marine-Elektronik-Planungsgesellschaft mbH (16.7%).²

Krupp Widia.

Krupp Metall und Schmiedewerke.

Belgium: Widia Belgium SA.²

Brazil: Krupp Metalurgica Campo Limpo Ltd (60%).²

Denmark: Widia Skandinavien A/S.²

France: Widia France SA (99%);² MaK Méditerranée SARL (74%);² Laboratoires Odonica SA (70%).

India: Widia India Ltd (52.4%).²

Italy: Krupp Widia Italia SpA (99.2%).²

Japan: Krupp Widia Japan Ltd (60%).²

Netherlands: Machinefabriek Bolier BV (33.9%);² Widia Nederland BV.²

Norway: Atlas Marin & Industri A/S (99.9%).²

Singapore: Widia S.E. Asia (Pte) Ltd.²

Spain: Widia Iberica SA.²

Sweden: Amlab AB (50%).²

Switzerland: Meturit AG (99.9%);² Widia (Schweiz) AG (99%).²

UK: Krupp International UK Ltd (99.9%);² Krupp Widia UK Ltd.²

1 Consolidated subsidiaries.

2 Non-consolidated subsidiaries.

TRADING AND SERVICES

Germany:

Krupp Stahlhandel.

Horbach & Schmitz GmbH.¹

Horbach & Schmitz GmbH (95%).¹

Horbach & Schmitz GmbH (93%).¹

Aloverzee Handelsgesellschaft mbH.¹

Stahlrohr-Import GmbH (25%).²

Krupp Grafische Anstalt.

Krupp Forschungsinstitut.

Krupp Gemeinschaftsbetriebe.

Westdeutsches Assekuranz-Kontor GmbH.¹

Krupp Wohnungsbau gGmbH (99.9%).²

Krupp Reederei und Brennstoffhandel.

Stefan Keith GmbH.¹

Helene-Amalie Kohlenhandelsgesellschaft mbH.¹

Oberhausener Kohlen- und Eisenhandelsgesellschaft mbH.¹

Mineralöl-Handelsgesellschaft F. Kuhl mbH.¹

Panopa Verkehrs-Gesellschaft mbH.¹

'Shiptraco' Ship & Transport Consultants GmbH.¹

Asikos GmbH, Strahlmittel zur Oberflächenbehandlung & Co. KG (50%).²

Krupp Steag Strahlmittel GmbH (50%).²

Frankfurter Brennstoff-Umschlags-Gesellschaft mbH (50%).²

Rhein-Weser Tankschiffahrtsgesellschaft mbH (45%).²

Polchemie GmbH (40%).²

France: Société Franco-Allemande d'Importation et d'Exportation SA (49.9%).²

Liberia: Transatlantic Bulk Carriers Inc.²

USA: Krupp Steel Products Inc.;² Diversified Steel Services Inc.²

GROUP HEADQUARTERS

Germany:

Terrasond-Grundbau GmbH.

Krupp Bauplanung GmbH.

Gesellschaft für Industriebeteiligungen mbH.

Carl Chr. Gossenberg & Co. i L.

Hansa-Rohstoffverwertung GmbH (50%).

VFW-Verwaltungsgesellschaft mbH (35.2%).

Rheinische Kalksteinwerke GmbH (25%).

Electrowerk Weisweiler GmbH (20%).

Canada: Krupp Canada Ltd (99.9%).

Iran: Krupp Iran GmbH.

Japan: Fried. Krupp (Japan) Ltd (99.9%).

South Africa: Krupp South Africa (Pty) Ltd (99.9%).

Switzerland: Krupp Investment AG (50%).

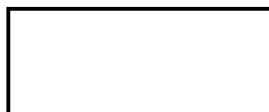
USA: Krupp International Inc.

1 Consolidated subsidiaries.

2 Non-consolidated subsidiaries.

196A-1774-208

COMMUNICATIONS SECTION



b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 15 1983	
FBI-NEW YORK	
MWP	

FOR SALES - NEW YORK TO NEW YORK

KRONOS TITAN-GMBH

Postfach 100720, D-5090 Leverkusen

Tel: (02172) 3561

Cable: Titan Leverkusen

Telex: 08510823

Chairman: Dr Hermann Pauls

PRINCIPAL ACTIVITIES: Manufacture and sale of titanium dioxide

Trade Names: Kronos, Bentone, Oncor

Principal Bankers: Deutsche Bank; Dresdner Bank; Chase Manhattan Bank; Sal Oppenheim jr & Cie; Westdeutsche Landesbank

Financial Information:

	DM'000
Sales turnover	329,000
Authorised capital	100,000
No of Employees:	1,400

KRUPP BRÜNINGHAUS GMBH, WERDOHL

Im Ohl 3, 5980 Werdohl

Tel: Werdohl (02392) 561, Westhofen (02304) 6891

Telex: Werdohl 826447 kd b; Westhofen 8229615 kb d

Supervisory Board: Dr Alfons Gödde (Vorsitzender), A Reinhards, W Becker, H Crummenerl, Dr G Fleckenstein, Dr G Gassner, F Klee, Dr Ing R Kunz, F Stemmer, B Stock, Dr Stepp, L Zimmermann

Management Board: Ing (grad) Horste Korte (Sprecher), Dipl-Kfm Kurt Hendrich, Dipl-Soz Rudolf Küchmeister

Senior Executives: H Bölling (Verkaufsleitung), H Klee (Leiter kfm. Verwaltung), H Pütter (Einkaufsleiter), H Rieck (Verkauf Federn), Dr Hegemann (Betriebschef Federnwerk), H Klunker (Betriebschef Schmiede), H von Estorff (Forschung und Entwicklung)

PRINCIPAL ACTIVITIES: Steel processing

Parent Company: Krupp Stahl AG, Bochum

Subsidiary Companies: Federnwerke Paul Plate GmbH;

Lärmschutz Biergans GmbH & Co., KG

Principal Bankers: Merck, Finck & Co; LZB; Deutsche Bank; Dresdner Bank; Commerzbank

Financial Information:

	1979	1980
	DM'000	DM'000
Sales	368,000	390,000
Share capital	8,000	8,000

No of Employees: Werdohl: 1,800 Westhofen: 870

KRUPP, FRIED, GMBH

Altendorfer Str 103, Postfach 10, 4300 Essen 1

Tel: (0201) 188 1

Cable: Krupp Essen

Telex: 0857385 fkes d

Chairman of Supervisory Board: B BeitzChairman of Executive Board: H Petry

Directors: H Geldmacher, Dr A Luka, Dr E Reusch, H Metzger

PRINCIPAL ACTIVITIES: Iron and steel industry, mechanical engineering and plant construction; ship building

Subsidiary/Associated Companies: Fried Krupp Hüttenwerke AG; Schmiedwerk Christine GmbH; Vereinigte Drahtindustrie GmbH; Martin & Pagenstecher GmbH; Ruhrkohle AG; SPRL Aciers Fortuna Stalen PVBA; Acciai Fortuna SpA; Fortuna Spezial Steel Co Ltd; Aciers Fortuna Sarl; AG Weser; Bremer Hotelges mbH; Krupp Industrie-und Stahlbau; Mak Maschinenbau and many other subsidiary and associated companies worldwide

Financial Information:

Sales turnover

DM13,320,000,000

No of Employees: 84,713

KRUPP, FRIED, HÜTTENWERKE AG

Alleestr 165, 4630 Bochum 1

Tel: (0234) 63-1

Telex: 825831 fkhv d

Chairman of Supervisory Board: Heinz PettyChairman of Managing Board: Dr Wilhelm Schneider

Directors: Dr Günter Fleckenstein (Finance),

Otmar Günther (Personnel),

Dr Rudolf Kunz (Engineering),

Reinhard Lenzner (Sales, Cast Iron),

Dr Alfred Randak (Metallurgy and Process Engineering),

Fritz Stämmel (Sales, Rolled Steel),

Dr Deiter Barich (Purchasing)

PRINCIPAL ACTIVITIES: Steel production including semi-finished products, girders, wire, reinforced concrete, brand steel, steel plate, galvanised steel cast steel, hammered parts, rails, railed vehicles, general steel and plate constructions

Trade Names: Sigma, Nirosta, Ferrotherm, Galvatect, Novonit etc

Subsidiary/Associated Companies: Krupp Stahlwerke Südwestfalen AG (98.9%); Stahlwerke Brüninghaus GmbH; Schmiedwerk Christine GmbH; Gerlach-Werke GmbH (58.2%); VACMETAL Ges f Vakuum-Metallurgie mbH (50%); Krupp Stahltechnik GmbH (50%); Siegener Rohstoff-Verwertungsges mbH; Ruhrkohle AG (6.2%); Ertsoverslagbedrijf Europoort CV (30%) (Netherlands); Martin & Pagenstecher GmbH (34%); KMR 'Seereederei Frigga' Beteiligungsges mbH (33.3%); Rohstoffhandel GmbH (30%); Hohenlimburger Kleinbahn AG (30.3%); Exploration und Bergbau GmbH (8%); Friedrich Thomée Handellsges mbH; Smittfort-Staal BV (40%) (Netherlands); Fortuna Special Steel Co Ltd (UK); Acciai Fortuna Spa (85%) (Italy); SPL Aciers Fortuna Stalen PVBA (Belgium); Aciers Fortuna SARL (France); Fortuna Edelstahl Vertriebsges mbH (Austria); Fortuna Specialty Steel Corp, USA; Rheinisch Westfälische Wohnstätten AG (20%); Krupp Hüttenwerke Wohnungsbau-GmbH; Westfälische Wohnstätten AG (3%) and others in Mexico, Argentina, Brazil and Liberia

Principal Bankers: Bank für Gemeinwirtschaft AG; Berliner Handels und Frankfurter-Bank; Commerzbank AG; Deutsche Bank AG; Dresdner Bank AG; Hardy Sloman Bank GmbH; Landesbank Rheinland-Pfalz Girozentrale; Landeszentralbank in NRW; Sal Oppenheim jr & Cie; Schliep & Co; Simonbank AG; Sparkasse, Bochum; Stadtparkasse, Düsseldorf, Hagen-Hohenlimburg; Trinkaus & Burkhardt; Vereinsbank eG; Westdeutsche Landesbank Girozentrale; Westfalenbank AG; Bankhaus Merck Finck & Co

Financial Information:

	DM'000
Sales turnover	4,437,000
Paid-up capital	573,000

No of Employees: 37,573

KRUPP MAK MASCHINENBAU GMBH

Falckensteiner Str 2-4, Postfach 9009, 2300 Kiel 17

Tel: (0431) 381-1

Cable: Mak Kiel

Telex: 0299877 mad d; 0299878 mak d

Chairman: Dipl Kfm Horst Harling

Directors: Dipl Psych H-O Brockmeier, Dr-Ing U Degenhardt, Dr jur G Holtmeier, Dr-Ing H-R Lembcke

PRINCIPAL ACTIVITIES: Engineering; railway vehicles and rolling stock, marine engineering; defence and armaments

Parent Company: Part of the Fried Krupp GmbH Group

Principal Bankers: Landeszentralbank

Financial Information:

	1979
	DM'000
Sales turnover	500,000
Authorised capital	40,000
No of Employees: 3,800	

KRUPP POLYSIUS AG

Graf-Galan-Str 17, Postfach 2340, 4720 Beckum
 Tel: (02525) 711
 Cable: Polysius Beckum
 Telex: 089481 polbk d

Chairman of Management Board: Hans-Joachim Scharfenberg
 Directors: Wolfgang Reeder, Dr Paul Weber, Dr Horst Ritzmann,
 Tyark Allers

Senior Executives: H Frischbier, W Holdt, Dipl-Ing H Mollenkopf,
 Dipl-Ing H Henne, E Pichler, H Schlichtherle, Dipl-Ing G
 Schultz, Dipl-Ing N Lenhart, Ing grad A Reese, Dipl-Ing E
 Lankes, Dipl-Volksw G Köhler, Dipl-Volksw Schubert, Klaus
 Templin, Dipl-Ing N Ahrens, Dipl-Ing J G Lohmann, Dipl-Ing W
 Staffhorst, Dr J Hollunder, W Schroder, Ing grad K Wagner,
 Ing grad W Riffelmann, Dipl-Ing P Tiggesbäumker, Ing grad O
 Haberhauer, Dipl-Ing W Goldmann, Dipl-Ing H J Engel,
 Dipl-Ing E W Schneider, J Suesse, Ing grad H Birkmann, G
 Warmuth

PRINCIPAL ACTIVITIES: Machinery and installations for cement
 works; electrical installations; automatic processing equipment

Subsidiary Companies: Polysius Ltd., UK; Polysius S.A., France;
 Polysius S.A., Spain; Ateliers Louls Carton S.A., Belgium;
 Polysius Corp., USA and others in South Africa, Mexico and
 Brazil

Principal Bankers: LZB; Dresdner Bank; Deutsche Bank;
 Commerzbank; Chase Bank; Bayerische Vereinsbank;
 Sparkasse Beckum-Wadersloh; Westdeutsche Landesbank;
 Trinkhaus & Burkhardt; Volksbank Neubeckum; Norddeutsche
 Landesbank Girozentrale; Postscheck Dortmund

Financial Information:

	1979	1980
	DM'000	DM'000
Sales	552,055	394,749
Net profit before tax	20,208	28,230
Net profit after tax	12,806	21,341
Share capital	21,000	21,000
Retained profit and reserves	6,203	6,203
Shareholders funds	27,203	27,203
Earnings per share	30DM	51DM

No of Employees: 1,560

KRUPP-KOPPERS GMBH

Postfach 10 22 51, MoltkestraBe 29, D-4300 Essen 1
 Tel: (0201) 2208-1
 Telex: 08 57 817 kruppkoppers

Management Board: Hans-Jürgen Herbst, Dipl.-Chem. Dr rer.
 nat. Karl L Schmid, Dipl.-Volkswirt Klaus Ternirsen, Dipl.-Ing.
 Richard Wenderoth

Senior Executives: E Spindler (Manager, Sales Division),
 H Strothe (Manager Procurement Division)

PRINCIPAL ACTIVITIES: Engineers and contractors for the
 construction of industrial plants in the fields of coke and ore;
 coal and gas; refineries, petrochemicals and chemicals

Parent Company: Fried. Krupp GmbH, Essen

Subsidiary Companies: Koppers France S.A.; Koppers Espanola
 S.A. Spain, and another in Japan

Financial Information:

	DM'000
Sales (average for the last three years)	300,000
Shareholders funds	10,000

No of Employees: 1,200

KRUPS, ROBERT

Heresbachstr 29, D-5650 Solingen 19
 Tel: (02122) 3871
 Cable: Krups Solingen
 Telex: 9514817 rks d

President of Advisory Board: Dr Karl Körner
 Directors: Fritz Krups (President of Board of Management),
 Dr Kurt J Frowein

PRINCIPAL ACTIVITIES: Production and distribution of
 household electrical goods and scales

Trade Names: Krups, 3 Mix

Principal Bankers: Commerzbank AG; Dresdner Bank AG;
 Westdeutsche Landesbank

Financial Information:

Sales turnover	DM218,000,000
No of Employees: 2,601	

KUEHNE & NAGEL AG & CO

Raboisen 40, D-2000 Hamburg
 Tel: (40)30 10 1
 Cable: haku
 Telex: 02 162542 knh

Chairman of Supervisory Board: Klaus-Michael Kuehne, Rudoef
 Lueck (stellv. Vorsitzender)

Directors: Guenther Arberg (Sprecher),
 Peter Stoess,
 Bernd Wrede

PRINCIPAL ACTIVITIES: Freight forwarding; transport;
 warehousing

Parent Company: Kuehne & Nagel Speditionen-AG, Bremen

Principal Bankers: DG Bank

Financial Information:

	1978	1979
	DM'000	DM'000
Sales	1,187,000	1,262,000
Gross profit	166,000	174,000
Shareholders funds	38,741	40,764

No of Employees: 8,500

KÜHNLE, KOPP & KAUSCH (AG)

Hessheimer Str. 2, D-6710 Frankenthal/Pfalz
 Tel: (06233)851
 Cable: Turbomaschinen Frankenthalpfalz
 Telex: 04-65221 kkkf d

Chairman: RA Karl Gustf Ratjen

Directors: Heinz Buttgeriet (Administration Director),
 Dipl.-Ing. Gerd Jaeger (Sales and Marketing Director),
 Dipl.-Ing. Helmut Pickert (Technical Director)

Senior Executives: Dipl.-Ing. Herbert Koch (Head of Turbine
 Department),

Dipl.-Ing. Siegfried Maier (Head of Turbocharger Department),

Dipl.-Ing. Fritz Rübel (Head of Fan and Compressor
 Department),

Helmut Schneider (Head of Material Procurement)

PRINCIPAL ACTIVITIES: Exhaust gas turbochargers; fans and
 compressors; steam turbines

Principal Bankers: Dresdner Bank AG; Deutsche Bank AG;
 Commerzbank AG; Georg Hauck & Sohn; Landeszentralbank
 in Rheinland/Pfalz; Postscheckamt Ludwigschafen/Rhein

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☒ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 12/16/83

18

FM NEW YORK (196A-1774) (P) (M-1)

TO: BUREAU (196-2848)

BT

UNCLAS

ATTENTION: SUPV. [REDACTED] FINANCIAL CRIMES UNIT.

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD, AKA
 "CLARENDON A.G."; RICO; FBW - MF - TAX EVASION - TRADING WITH
 ENEMY (OO:NY).

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ:

ON DECEMBER 15, 1983, AUSA [REDACTED] SDNY, ADVISED

THAT [REDACTED]

[REDACTED]

[REDACTED] FD-

515S WILL BE SUBMITTED. [REDACTED]

[REDACTED]

FBIHQ WILL BE KEPT ADVISED.

BT

① - NEW YORK
 1 - SUPV.M-1

MEB:mms
 (2)

5

Approved: LPL/mmp3

Transmitted

(Number)

(Time)

Per: [REDACTED]

Q

[REDACTED]

b6
 b7C

7

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-20-01 BY [REDACTED]

b6
 b7C

b6
 b7C

b6
 b7C
 b3

196A-1774-269

NY0629 3510633Z

RR HQ

DE NY 018

R 162230Z DEC 83FM NEW YORK (196A-1774) (P) (M-1)

TO BUREAU (196-2848) ROUTINE

BT

UNCLAS

ATTENTION: SUPV. [REDACTED], FINANCIAL CRIMES UNIT.

b6
b7C

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED];

MARC RICH & CO., A.G.; MARC RICH & CO. INTERNATIONAL, LTD, AKA

"CLARENDON A.G."; RICO; FBW - MF - TAX EVASION - TRADING WITH

ENEMY (OO:NY LM

THE FOLLOWING IS PROVIDED FOR INFO OF FBIHQ:

ON DECEMBER 15, 1983, AUSA [REDACTED] SDNY, ADVISED

THAT [REDACTED]

b6
b7C
b3

FD-

515S WILL BE SUBMITTED. [REDACTED]

FBIHQ WILL BE KEPT ADVISED.

BT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [REDACTED]

b6
b7C

196A-1774-209

R

Date 12/15/83

TO: DIRECTOR, FBI

196-2848

Bureau File Number

FROM: SAC, ADIC, NEW YORK

196A-1774

SUBJECT: MARC RICH-FUGITIVE;
PINCUS GREEN-FUGITIVE;

Field Office File Number

M-1

Squad or RA Number

MARC RICH & CO.A&G;
MARC RICH & CO. INTERNATIONAL
aka CCARENOON A.G.
RICO-FBW-MF-TAX EVASION-TRADING
(OO: NY) WITH ENEMY

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Surveil. Sqd Asst	Rating
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. SWAT Team Action	
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. Telephone Toll Records	
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Undercover Operation	
5. ELSUR - FISC		10. Lab Div Exams		15. Show Money Usage		20. Visual Invest. Analysis (VIA)	

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
				Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
D. Arrests, Locates & Summonses (Number of subjects)	Subject Priority (See Reverse)							b3
	A	B	C					
FBI Arrests -								
FBI Locates -								
Criminal Summons								
Number of Subjects of FBI Arrests Who Physically Resisted								
Number of Subjects of FBI Arrests Who Were Armed								
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters		Government Defendant		Government Plaintiff
Hostages Held By Terrorists	All Other Hostage Situations			Amount of Suit				
				Settlement or Award				
								Enter AFA Payment Here

F. Final Judicial Process: Judicial District		District		State	(Use two letter state abbreviations per U.S. Post Office Guide For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)									
Subject 1 - Name -					Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
				Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
														\$
														\$
														\$
Subject 2 - Name -					Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
				Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
														\$
														\$
														\$
Subject 3 - Name -					Subject's Description Code *									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
				Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
														\$
														\$
														\$

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks:

Pursuant to 8/5/83

101 A-1774-210

b3

2 - Bureau
2 - Field Office

**Case involves a joint investigation between FBI, IRS & U.S. Customs

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

1-IVA 1-1 Supv., M-1

1-66-8492

①-196A-1774

FBI/DOJ

b6
b7C

10-10

FD-36 (Rev. 5-22-78)

FBI

TELETYPE PRIORITY

~~SECRET~~

1/6/84

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (196B-2848)

2235

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [redacted] MARC RICH AND COMPANY; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, ALSO KNOWN AS "CLARENDON A. G.;" RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

b6
b7C

b7D
b7F

1 - New York

1 - [redacted]

1 - Supervisor M-1

WMM:mej030V1

(3)

~~2-20-01
CLASSIFIED BY [redacted]~~

~~REASON: 1.5 (cd)~~

~~DECLASSIFY ON: X 1,6~~

b6
b7C

196A-1774-211

Approved: [signature]

Transmitted

121/619
122/620R

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT TO PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [signature]

b6
b7C

~~SECRET~~

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" ~~IN ITS ENTIRETY.~~

REFERENCE BUREAU CONFERENCE REGARDING CAPTIONED MATTER,
DECEMBER 5, 1983, AND NUMEROUS TELEPHONE CALLS BETWEEN BUREAU AND
NEW YORK, DECEMBER 6-20, 1983.

THE PURPOSE OF THIS TELETYPE IS TO PROVIDE THE NEW YORK
OFFICE'S (NYO) [REDACTED]

[REDACTED]
[REDACTED] WITHOUT RISKING COMPROMISE
TO A HIGHLY SENSITIVE AND VERY VALUABLE [REDACTED] SOURCE [REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

AS NOTED IN REFERENCED CONFERENCE, [REDACTED] HAS, AS
CIRCUMSTANCES DICTATE, A HIGHLY SENSITIVE SOURCE [REDACTED]

b7D
b7F
b7E

[REDACTED]
[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[Redacted]

b7D
b7F
b7E

[Redacted] (~~S~~) (U)

[Redacted]

b7D
b7F
b7E

(~~S~~) (U)

[Redacted]

b7D
b7F
b7E

[Redacted] (~~S~~) (U)

PROTECTION OF SOURCE: (~~S~~) (U)

~~SECRET~~

~~SECRET~~

NEW YORK HAS PRESENTLY

[REDACTED]

TO PROTECT SOURCE

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

[Redacted]

[Redacted]

~~(S)~~ (U)

[Redacted]

[Redacted]

[Redacted]

~~(S)~~ (U)

[Redacted]

[Redacted]

~~(S)~~ (U)

b7D
b7F
b7E

b7D
b7F
b7E

b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE:

THE SOURCE REFERRED TO TO IN ABOVE

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

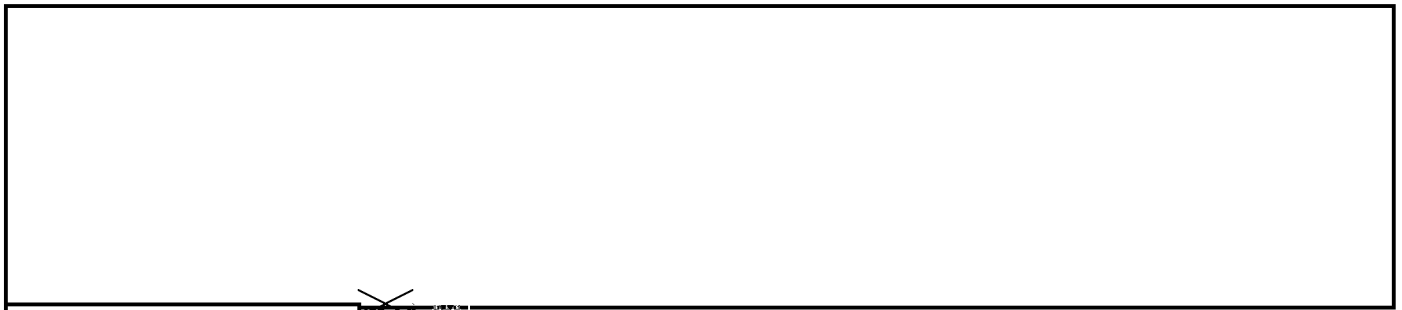
[REDACTED]

~~(S)~~ (U) (U)

b7D
b7F
b7E

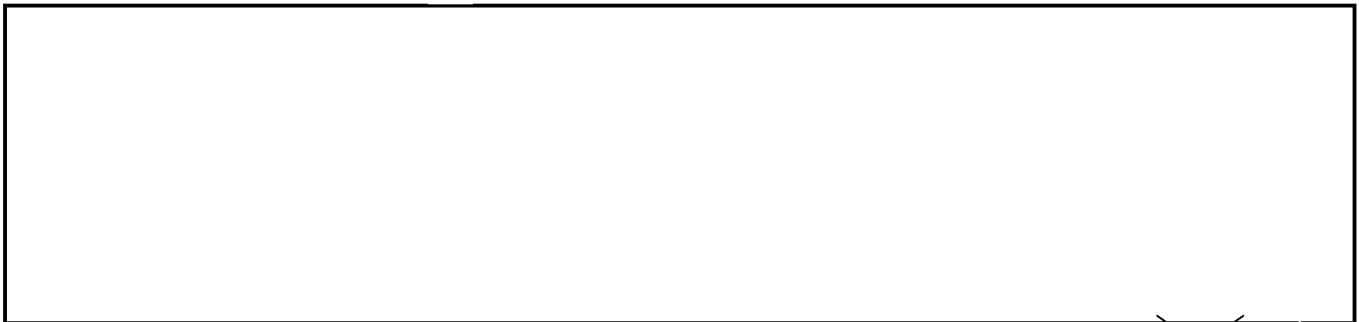
~~SECRET~~

~~SECRET~~



b7D
b7F
b7E

~~(S)~~ (U)



b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~X~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED] ~~(S)~~ (U)

THE BUREAU IS REQUESTED TO GIVE TENTATIVE APPROVAL OF THE

b7D
b7F
b7E

[REDACTED]

~~C AND E BY G-3; DECLASSIFY ON OADR.~~

~~SECRET~~

VZCZCNY0619

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-01-2017 BY:

b6
b7C

PP HQ

DE NY #0121 0062118

ZNY SSSSS

R 062113Z JAN 84

FM FBI NEW YORK (196A-1774) (M-1)

TO DIRECTOR FBI (196B-2840) PRIORITY

BT

~~SECRET~~ SECTION 1 OF 2

MARC RICH - FUGITIVE; PINGUS GREEN - FUGITIVE; MADE
PICH AND COMPANY; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, ALSO
KNOWN AS "CLARENDON A. G.;" PICO; FBW; ME; TAX EVASION; TRADING WITH
THE ENEMY; OO: NEW YORK

b6
b7C

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REFERENCE BUREAU CONFERENCE REGARDING CAPTIONED MATTER,
DECEMBER 5, 1983, AND NUMEROUS TELEPHONE CALLS BETWEEN BUREAU AND
NEW YORK, DECEMBER 6-20, 1983.

196A-1774-211

#

b6
b7C

2-20-01
CLASSIFIED BY:
EXEMPT FROM: 1.5 (C) D
DECLASSIFY ON: X 1.6

R

PAGE TWO DE NY 0121 ~~SECRET~~ SECTION 1 OF 2

THE PURPOSE OF THIS TELETYPE IS TO PROVIDE THE NEW YORK

OFFICE'S (NYO) [REDACTED]

[REDACTED]

WITHOUT RISKING COMBOMISE

TO A HIGHLY SENSITIVE AND VERY VALUABLE

SOURCE [REDACTED]

[REDACTED]

~~(S)~~ (U)

AS NOTED IN REFERENCED CONFERENCE, [REDACTED] HAS, AS

CIRCUMSTANCES DICTATE, A HIGHLY SENSITIVE SOURCE [REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7D
b7F
b7E

b7D
b7F
b7E

b7D
b7F
b7E

~~SECRET~~

PAGE THREE DE NY 0121 ~~SECRET~~ SECTION 1 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

PAGE FOUR DE NY 0121 ~~SECRET~~ SECTION 1 OF 2

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

PROTECTION OF SOURCE ~~(S)~~ (U)

NEW YORK HAS PRESENTLY

[REDACTED]

TO PROTECT SOURCE

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

~~SECRET~~

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

PAGE SIX DE NY 0121 ~~SECRET~~ SECTION 1 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

RT

#0121

~~SECRET~~

VZCZCNY0620

PP HQ

TE NY #0122 0062118

ZNY SSSSS

R 062113Z JAN 84

FM FBI NEW YORK (196A-1774) (M-1)

TO DIRECTOR FBI (196B-2849) PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

ADMINISTRATIVE

~~SECRET~~

THE SOURCE REFERRED TO TO IN ABOVE

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~(S)~~ (U)

b7D
b7F
b7E

~~SECRET~~

PAGE FOUR DE NY 0122 ~~SECRET~~ SECTION 2 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

THE BUREAU IS REQUESTED TO GIVE TENTATIVE APPROVAL OF THE

b7D
b7F
b7E

~~CLASSIFIED BY 4-2; DECLASSIFY ON OADR.~~

BT

#0122

~~SECRET~~

Memorandum



To : SAC II (196A-1774) (P) (M-1)

Date JAN '9 1984

From : SA [REDACTED] b6
b7C

Subject : MARC RICH-FUGITIVE;
PINCHUS GREEN-FUGITIVE; b6
[REDACTED] b7C
MARC RICH AND COMPANY, A.G.;
MARC RICH AND COMPANY
INTERNATIONAL, LIMITED;
AKA "CLARENDON A.G."
RICO-FBW-MF-TAX EVASION-
TRADING WITH ENEMY
(OO:NY)

In order to better understand the fraud scheme in captioned case, writer will outline the crude oil price control regulations which were in effect in the United States from May, 1973 through January 28, 1981.

The Department of Energy's (DOE's) regulations created three major categories of crude oil: "Old" (also called "Lower Tier"), "New" (also called "Upper Tier") and "Stripper". These categories correspond to price control categories and were not based on any physical or chemical characteristics of the oil. A barrel of domestic crude oil with a new oil or old oil component was referred to as a "controlled barrel". Stripper oil was referred to as "uncontrolled".

Old oil had the lowest maximum lawful selling price. New oil had a higher maximum selling price. Stripper oil was

MEB/pm
(1)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [REDACTED]

b6
b7C

196A-1774-212

R

NY 196A-1774

exempt from price controls and could be sold at the market price which was far in excess of the prices for old and new oil. At relevant times, a stripper barrel would sell for in excess of \$20.00 more than a barrel of old oil and \$15.00 more than a barrel of new oil of like quality.

Each oil reseller was required to certify in writing to the purchaser the respective amounts and prices of old oil, new oil, and stripper oil contained in crude oil being sold. To determine compliance with the regulations and to prevent overcharging, the DOE periodically audited and reviewed the records of resellers of crude oil, which records were required to be kept by law.

If a certification was illegally changed from old oil or new oil to stripper, it would enable a company to sell at world market prices rather than the far lower controlled prices (in 1980, \$35.00 per barrel as opposed to \$6.00 to \$14.00 per barrel) thereby enabling the reseller to make huge illegal profits at the expense of his customers and the American Public.

DOE statistics indicate that millions of controlled barrels simply disappeared during the period of price controls. The only explanation is that certifications on controlled barrels were altered to reflect uncontrolled barrels. This illegal process was facilitated by passing the crude oil through a large number of resellers known as a "daisy chain". The original reseller of the controlled oil would receive a like amount of crude oil falsely certified as uncontrolled at drastically discounted prices. The original reseller made a huge profit and each of the other "daisy chain" companies shared a smaller profit.

NY 196A-1774

For example, Company A would agree to sell 100,000 controlled barrels to Company B for \$6.00 per barrel, in return for Company B's agreement to sell Company A 100,000 barrels of uncontrolled oil at \$9.00 per barrel. Company B would run the oil through a "daisy chain" wherein someone would change the certifications from controlled to uncontrolled. Company B and the other companies would profit from the \$3.00 differential between \$6.00 and \$9.00. Company A would sell the falsely certified uncontrolled oil for \$35.00 and reap huge illegal profits.

MARC RICH and PINCUS GREEN used International to participate as the original reseller of controlled oil into a "daisy chain".

Under the DOE regulations, resellers such as International were restricted in the prices they could charge their customers for crude oil. Effective 9/1/80, International and other resellers were permitted only a \$.20 profit or mark-up per barrel of oil it sold in the controlled category. In the event a reseller's average mark-up or profit, computed on a monthly basis, exceeded \$.20 per barrel, the excess profits were illegal and were required to be refunded to its customers

Resellers such as International were required by law to submit each month forms ERA-69 to the DOE setting forth their actual average mark-up per barrel for crude oil sales and specifying any overcharges to customers so that they could be immediately refunded.

U.S. Attorney Steering Office in New Directions

By SELWYN RAAB

Last summer, soon after he was sworn in as the United States Attorney for the Southern District of New York, Rudolph W. Giuliani made four unpublicized visits to the Lower East Side.

His purpose, he said, was to get a first-hand look at the drug trafficking that has been openly conducted on the streets there for years.

Those visits, Mr. Giuliani said, led to a new strategy of encouraging Federal agents to arrest low-level drug dealers and prosecuting the dealers in the Federal courts. Previously, Federal authorities concentrated on middle- and high-level traffickers and left the smaller dealers to the city's Police Department and state criminal courts. Any sale of narcotics is both a Federal and a state violation.

Preview of Administration

Many of the 131 assistant United States attorneys in the Southern District welcomed the antinarcotics campaign as a preview of Mr. Giuliani's administration. They saw his efforts as indicating that he would be an energetic, innovative prosecutor who was certain to attract much attention to the office, which is considered one of the most important agencies in the Federal law enforcement system.

Because Manhattan is a hub for

major criminal and civil cases, Mr. Giuliani's post is one of the most coveted Federal law enforcement jobs in the country. In accepting President Reagan's appointment last June, Mr. Giuliani gave up the No. 3 job in the Justice Department, that of the associate attorney general. For two years in that post he supervised all 93 United States Attorneys in the country, including the Southern District's.

The 39-year-old Mr. Giuliani was born and reared in New York City. He was an assistant United States attorney in the Southern District from 1970 to 1975. In those years he acquired a reputation as a successful prosecutor in several publicized political and police corruption trials. Lawyers and colleagues ranked him as a master of cross-examination.

Now, six months after being sworn in as United States Attorney, Mr. Giuliani works in a cluttered office in the Justice Department Building at 1 St. Andrew's Plaza, just off Foley Square in lower Manhattan. He sits besides an American flag and with a portrait of Thomas Jefferson propped up on a bureau and wall behind him.

Major Policy Changes

Since Mr. Giuliani's appointment 8 new attorneys have been added to the narcotics unit, raising the total to 21. In addition to an increased emphasis on drugs, Mr. Giuliani said these were his other major policy changes:

¶More and quicker prosecutions of tax-evasion cases, which he said now often take as long as two years before indictments are obtained. His office and the Internal Revenue Service are developing a plan to uncover major violators and speed up prosecutions.

¶The assignment of a special assistant to oversee public corruption cases and to insure that information obtained by different sections of the office is properly coordinated. He defended "Abscam-type" undercover operations as "very necessary at getting at boardroom, Congressional and executive branch corruption."

¶More appointments of prosecutors from city district attorneys' offices as temporary assistant United States attorneys to increase cooperation with local law enforcement agencies. Eight assistant district attorneys have been "cross-designated" as assistant Federal attorneys by Mr. Giuliani in an effort to reduce "rivalry and jurisdictional problems that can be very destructive," he said.

¶The opening of an office in White Plains last November, the first outside of lower Manhattan in the district, which comprises Manhattan, the Bronx and six counties north of the city. Mr. Giuliani said he wanted to initiate more investigations in the suburbs and to allow grand juries to meet there instead of only in Manhattan.

¶Seeking larger fines and more seizures of property from companies that violate civil laws. Mr. Giuliani noted that the Government had obtained \$8 million in fines in the last five years from New York subsidiaries of the General Electric Company for its financial records. He said he was investigating for

"That fine has

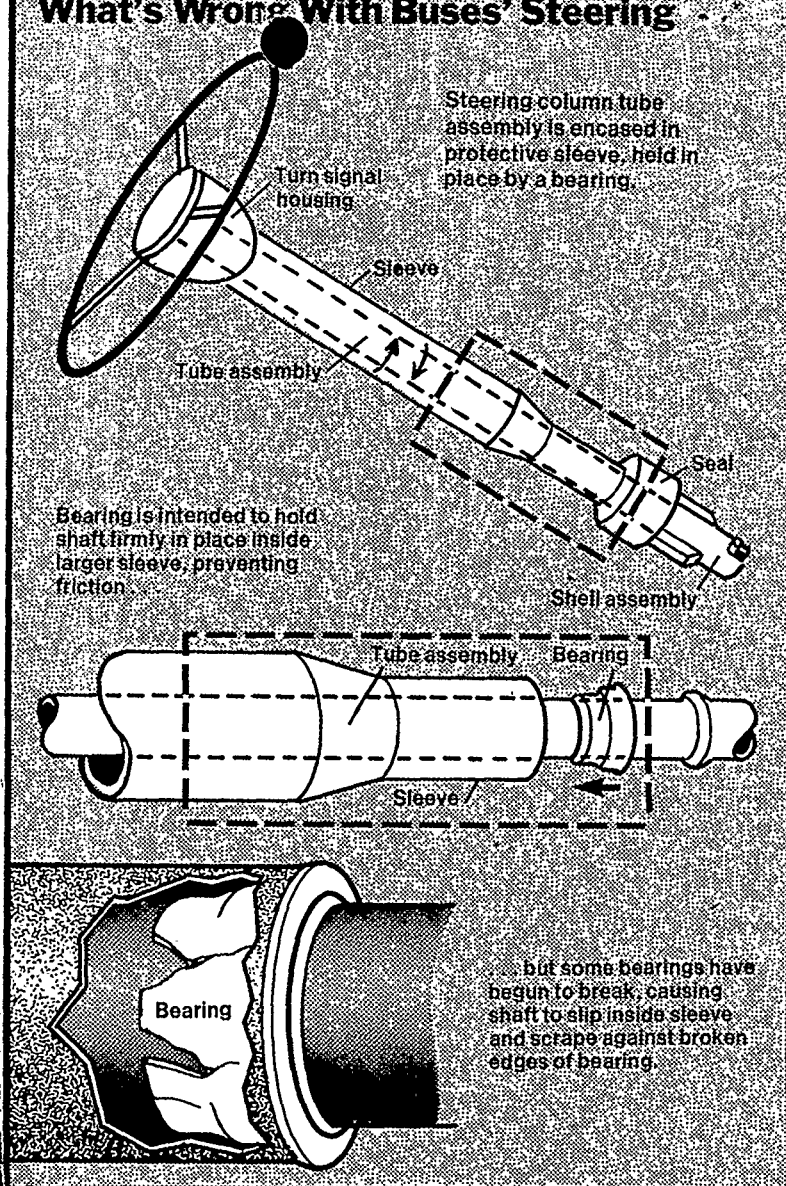


The New York Times, Edward H. Rutter

Rudolph W. Giuliani

Cont

What's Wrong With Buses' Steering



The New York Times / Jan. 9, 1984

steering problems with the buses.

Mr. Perfall also said that the Metropolitan Suburban Bus Authority, a subsidiary of the M.T.A. that runs buses on Long Island and provides bus service from there to subways in Far Rockaway, Flushing and Jamaica, Queens, checked its 125 Grumman Flexible buses this weekend. That agency has 60 buses.

Mr. Perfall said no problems had been found in the Long Island buses.

The Authority has alerted the private bus companies in the city, which use about 300 Grumman buses, of the problems. Mr. Perfall said The Flexible Corporation would alert all other bus companies in the country that use this model bus. About 5,000 of the buses are in use outside the city, he said.

Science at Rockefeller U. Is Continual Experiment

Continued From Page B1

ing for disease-causing viruses, bacteria and cancer cells to kill.

Dr. Nathan's job is to learn what he can about how the macrophage kills invading cells. To do this, he often uses chemicals found in the body in minute amounts — but made with recombinant DNA techniques in great quantities — to stimulate the macrophage's killing activity.

While working on an experiment, Dr. Nathan often sits at a long table fitted with a sink, a stool, shelves overhead and cryobeds underneath. "This table, known as the bench," is used for basic re-
times, Dr. Nathan covered with test
and note pads,
is cleaned off in
periment.

clarating
like as a re-
Nathan said:
of what
months
you

cell differentiation, the study of plant genes that regulate photosynthesis, the study of skin diseases, and the study of diseases caused by parasites, which is one of the world's leading health problems outside of the United States and developed countries.

Study of Canaries

Another Rockefeller scientist, Dr. Fernando Nottebohm, is studying how canaries learn to sing. According to Dr. Lederberg, his research is an example of how basic scientific study can unexpectedly provide insights and potential applications in other fields.

When Dr. Nottebohm began studying songbirds in the early 1960s, he was more interested in the song than their brains. But soon he became interested in how canaries learn to sing, and whether their brains changed with learning.

He found that the brain did indeed change. In fact, Nottebohm and his colleagues discovered that during the year when a canary changes its old song and learns a new one, the number of neurons in the brain changes.

U.S. Attorney Steering Office in New Directions

Continued From Page B1

half the total budget of \$14 million for this office," he explained. "Drug dealers and white-collar criminals, instead of the public, should have to pay the costs of funding the system of criminal justice."

Narcotics, organized crime, white-collar crimes and public corruption were cited by Mr. Giuliani as his four investigative priorities. The priorities will be "balanced," he said, adding:

"You have to keep the ball in the air in each one of these areas. That is the way to create general deterrence and to dispel cynicism about law enforcement by showing we treat everyone alike, whether you are a major criminal or a low-level drug pusher."

Criticism From Some Quarters

The shift in narcotics strategy, however, has been criticized by some of the attorneys on Mr. Giuliani's staff and several Federal judges. They have said privately that the office and the Federal District Court in Manhattan lack the resources to prosecute large numbers of low-level drug dealers in the city and that the narcotics campaign would impede more vital matters.

The attorneys and judges said Mr. Giuliani might have been seeking favorable publicity by announcing the narcotics crackdown and by personally appearing in court last month to ask for

long prison terms for the first two convicted dealers.

Mr. Giuliani, in a recent interview, said he was aware of the criticism. But he emphasized that new narcotics policy was "long overdue" and was the opening move on his part to make his office "more relevant" to the needs of the community.

'Elite Attitude by Attorneys'

"I know there is a certain resistance among some of the judges and an elite attitude by attorneys that God put us here to do only important cases," he said. "They have got to stop sitting in ivory towers and deciding on their own what is important. One of the problems this city has is drug dealing on the Lower East Side and if the city can't handle that problem because it is overwhelmed by other crime problems than we have a responsibility to help."

Last July after watching heroin sales along Eldridge and Rivington Streets and Avenues A and B, Mr. Giuliani encouraged the Federal Drug Enforcement Administration to crack down on street sales on the Lower East Side.

He said his decision was also influenced by Mayor Koch, who in a meeting with his staff complained that Federal officials were chiefly interested in "big cases" and had ignored drug dealers in such areas as the Lower East Side.

So far, Federal agents have arrested

more than 20 suspects for narcotics sales on the Lower East Side and 12 have been convicted in the Federal District Court in Manhattan, most of them for the sale of heroin. They have received sentences ranging from probation to 10 years in prison.

Mr. Giuliani said he would keep the pressure on the Lower East Side for at least two years. "That neighborhood had become an area of immunity for drug dealers, affecting the lives of tens of thousands of people," he said. "The dealers also are supplying heroin for the rest of the city and the Northeast. Sure, we can't catch all of them, but we want to send a message to them; when we catch you, you go away for a long time."

According to Mr. Giuliani, the public and news organizations "have a more benign view of organized crime and white-collar criminals than they should," because they wrongly view such criminals as having committed victimless offenses.

His own family, Mr. Giuliani said, was victimized by an organized-crime group at the turn of the century when his immigrant grandfather was forced to closed several cigar stores in the city rather than pay "protection money" to gangsters.

Organized crime and white-collar criminals, who usually are involved in frauds and corruption, he said, "unhinge the law for everybody and en-

courage other people directly and indirectly to commit crimes of violence."

Since his appointment, Mr. Giuliani said he was aware of "gossip and rumors" that he took the post in the hope that the attention it brought would help him begin a political career. "I have no such plans," he said, "although it is impossible to convince some people of that."

He declined to comment on suggestions that he planned personally to conduct the courtroom prosecution soon of a major organized-crime figure. Last September, F.B.I. officials said they expected that Federal indictments of key organized-crime leaders would be announced this year in Manhattan.

"There are a couple of cases I am thinking about," Mr. Giuliani said, refusing to be specific. "Part of the excitement of this job is being able to try a few cases."

LOTTERY NUMBERS

Jan. 8, 1984

New York Numbers — 149

New York Win 4 — 3130

Jan. 7, 1984

New York Lotto — 11, 12, 28, 41, 43, 7; supplementary, 19

...monies began.
Henry Stern has been selling neckties in this way for a number of years. At dinners. At lunches. In hallways. At every possible occasion.

Henry Stern is, in fact, in the business of selling neckties with his partner, Deputy Mayor Robert F. Wagner Jr. They have made more than \$35,000 selling their neckties, although Mr. Wagner gives most of the credit to Mr. Stern.

All the money goes to benefit New York City. Once, they turned over \$7,000 for libraries. Another time they donated \$500 to City Harvest, a food program for the needy. They now turn

the money over to the New York Community Trust, where they have \$28,893 invested in money market funds, according to a spokesman for that foundation. The Community Trust gives grants to a variety of groups that supply services in health, education and the arts.

Even though Mr. Wagner will be leaving the city government this month to take a fellowship at Harvard University, he said the tie partnership would remain intact. He said he would continue to refer customers to Mr. Stern.

It all started in 1976, during the city's fiscal crisis, when Mr. Stern and Mr.

Wagner were Councilmen at Large. "Mayor Lindsay had ties made up which he gave to executives in his administration," Mr. Stern recalled. "We said why can't we sell them or people to wear, and we can make money to help alleviate the fiscal crisis."

They designed a dark blue polyester necktie with the city seal emblazoned in gold (the burgundy tie was added recently). The label Stern & Wagner was sewn in. The cost of each tie was \$4.25, and they sold them for \$8.10. Sales mushroomed.

By the next year, they had made \$7,000 in profits, which they decided to present to Mayor Abraham D. Beame.

Mayor Beame said he was too busy to see the two Councilmen, who had been critical of his administration. The money was finally presented to Comptroller Harrison J. Goldin. Mayor Beame said later that he had not realized the two Councilmen wanted to turn money over to him.

One thing led to another. When Mr. Stern became Parks Commissioner last year, he said he was appalled to find that a Parks Department tie — navy blue with green maple leaves — was being sold at cost, for \$10 each. He went immediately to his own distributor, struck a deal in which the ties would be produced in polyester for \$5 a tie and is now making a \$5 profit on each tie, which will go for the benefit of parks.

The park ties are only available to people who are involved with the city's parks. The city ties can be purchased by anyone at 61 Chambers Street or from Commissioner Stern all over town.

The recycling ceremony the other day was held under threatening skies, and Mr. Stern was wearing an orange slicker with Department of Parks, New York City, lettered across the back. Park workers wear them in the rain. Sanitation Commissioner Norman Steisel remarked that it was a nice-looking rain slicker.

"A lot of people have said that," Mr. Stern replied happily. "We're thinking of marketing it for the public."

'Red Caps' Fighting Arson in the Northwest Bronx

By DAVID W. DUNLAP

The Red Caps have come to the northwest Bronx. And with the arrival of the Fire Department's special arson-fighting squad, the city has moved north of Fordham Road in its efforts to keep arsonists from further devastating the borough.

"The message of the Red Caps is, 'No more South Bronx anywhere in New York City,'" Mayor Koch proclaimed last week, acknowledging that a problem once confined to the southernmost part of the borough now endangered a far larger area.

"The arsonists are moving north, nibbling away at our residential and commercial sections," said Thomas W. Wooding, vice president of the Northwest Bronx Community and Clergy Coalition, a group that lobbies heavily for better fire protection.

area, according to Fire Department figures. There were 139 fires of suspicious origin in the first 10 months of last year; in all of 1980, there were 137 such fires in the area.

Since the Red Cap program began in 1981, it has been credited with cutting the number of arson fires and increasing arson arrests in small areas around the city. The marshals have twice before been stationed in the Bronx — in the west and central portions of the borough, south of Fordham Road.

Last year, when they worked in the East Tremont section of the Bronx, suspicious fires dropped to 122, compared with 169 in the corresponding period of 1982.

Fires Where People Live

What concerns Thomas M. Sweetman, the deputy chief of fire marshals,

is the hope the city will move them to better apartments.

"The occupied building is obviously a much more dangerous place for a fire," he said, "but it's also a much bigger well to tap in terms of community information."

Local cooperation is part of the marshals' simple strategy. They are visible, they saturate an area and they investigate every fire — not just those later declared suspicious. Getting on the scene quickly, they find witnesses who might vanish and evidence that might be lost.

Eager to Share Credit

A wide assortment of officials and local leaders — all eager to share credit for the Red Caps' success — were on hand in a chilly fire house at

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 11
Page 16 ~ Duplicate;
Page 19 ~ Duplicate;
Page 91 ~ Referral/Consult;
Page 92 ~ Referral/Consult;
Page 93 ~ Referral/Consult;
Page 211 ~ Duplicate;
Page 213 ~ Duplicate;
Page 219 ~ Referral/Direct;
Page 220 ~ Referral/Direct;
Page 221 ~ Referral/Direct;
Page 222 ~ Referral/Direct;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY

b6
b7C

196A-1774-213

FF FF

R

196A-1774-214

~~196A-1774-214~~

R

b6
b7C



U.S. Department of Justice

Federal Bureau of Investigation

CL

In Reply, Please Refer to
File No. NY 196A-1774
Bu 196B-2848

December 2, 1983

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;

b6
b7C

[REDACTED]
MARC RICH & CO.;
MARC RICH & CO. INTERNATIONAL, LTD.;
ALSO KNOWN AS
"CLARENDON A.G."

Case Agent:
Supervisor:

SA [REDACTED]
[REDACTED]

b6
b7C

I. Background:

Marc Rich and Pincus Green are United States citizens who, in 1974, formed Marc Rich & Co. A.G. ("A.G."). AG is a Swiss corporation which engages in the worldwide business of trading commodities, including crude oil. AG trades an annual volume of \$10 billion, 60% of which represents oil trades. AG has a wholly-owned subsidiary, Marc Rich & Co. International A.G. which has a branch office in the United States named Marc Rich & Co. International ("International"). Until the summer of 1983, Marc Rich and Pincus Green ran the oil trading activities of A.G. and International from International's Offices in New York.

From approximately September, 1980 through at least June, 1981, Marc Rich and Pincus Green surreptitiously moved at least \$100 million out of the U.S. from International to A.G. Most of this money constituted illegal proceeds from domestic crude oil transactions wherein Marc Rich and Pincus Green defrauded their customers by unlawfully overcharging them for domestic crude oil.

Marc Rich and Pincus Green devised an elaborate scheme to cover up their fraud wherein they used two third party U.S.

2-20-01
CLASSIFIED BY [REDACTED]
EXEMPT 1.5 (c,d)
1,6

b6
b7C

companies; West Texas Marketing Corp (WTMC) and Listo Petroleum (LISTO), to conduct their business and ostensibly to collect the illicit profits and overcharges on their books. Marc Rich and Pincus Green would then remove these illegal profits from the books of WTMC and LISTO by creating sham transactions where WTMC and LISTO would purportedly buy foreign crude oil from AG and then resell it simultaneously for a \$3.00 per barrel loss to a Panamanian subsidiary of A.G.* The sole purpose of these deals was to launder the illegal money from the books of WTMC and LISTO offshore to A.G.

Marc Rich and Pincus Green violated various Federal energy law regulations which controlled the prices at which crude oil could be sold in the U.S. and restricted their average mark-up or profits to 20¢ per barrel as well as evaded over \$48 million in U.S. taxes on the hidden income. ** In addition to the U.S. Government that was defrauded of substantial tax revenues and the proper administration of its energy and tax laws, victims of this scheme were the customers Marc Rich and Pincus Green, who were overcharged and the American Public which ended up paying higher gas and oil prices.

On September 19, 1983, the Grand Jury for the Southern District of New York concurred in the finding of a 51-count indictment. The indictment charges captioned with conspiring to and conducting their commodities business through a pattern of racketeering involving the schemes to defraud their customers, the DOE and IRS. Each defendant is charged with various mail and wire fraud violations regarding these fraud schemes as well as tax evasion. Additionally, Marc Rich and Pincus Green are charged with illegal trades with Iran during the hostage crises amounting to over \$200 million.

* These transactions were made to look legitimate by using invoices which set forth real tankers and bills of lading dates. In almost every case, A.G.'s records reveal that the oil on these tankers was already sold by A.G. to third parties in presumably legitimate deals at the time these sham transactions were done.

** It also appears that Marc Rich and Pincus Green were evading Swiss taxes by arbitrarily moving hundreds of millions of A.G.'s profits to Liquin Resources, a Panamanian subsidiary of A.G.

The evidence in this case is overwhelming and includes testimony from employees and former employees of Marc Rich and Pincus Green as well as from various third party companies.

In late August, 1980, Marc Rich and Pincus Green conceived the afore-described scheme. Marc Rich [redacted]

[redacted] Interna-
tional and WTMC did business. Rich proposed that [redacted]
[redacted] International's profit from domestic crude oil deals in a "pot" on WTMC's books and thereafter send the money from the "pot" to A.G. through a series of fictitious foreign crude oil deals. The money in the "pot" was generated in deals where International would sell price controlled barrels to WTMC in return for equal numbers of uncontrolled barrels at large discounts which could then be sold for huge profits. Rather than invoice International at the agreed upon discounted price, Rich and Green had WTMC invoice them at the higher world market price so as to make it appear that International had paid the higher price for the oil. However, WTMC agreed to keep the difference between the discounts and high price in the "pot" for Rich and Green. The oil was then sold for the high price to various customers. The DOE and the customers were unaware of the overcharges because of the false invoices which covered up the fact that International had actually paid less for the oil and was therefore making illegal profits in excess of its 20¢ per barrel limitations. Under the law, Rich and Green were required to report all overcharges to the DOE in monthly reports called ERA - 69's and to refund the overcharges to their customers. Rich & Green filed false ERA - 69's for the months September, 1980 - January, 1981 which fraudulently hid their profits being held in the LISTO and WTMC "pots" and failed to disclose their illegal overcharges which totalled at least \$100 million; accordingly, these overcharges were not repaid to the defrauded customers.

b6
b7C

II. Continuing Investigation:

The grand jury of the SDNY is continuing hearing evidence in regard to the following:

A. [redacted]
[redacted]

b3

[REDACTED]

b3

pursuant to a forth-with subpoena and transported to the grand jury.

B. [REDACTED]

[REDACTED]

b3

[REDACTED] were subpoenaed. A motion

[REDACTED]

C. [REDACTED]

[REDACTED]

b3

D. The grand jury is continuing to probe whether

[REDACTED]

b3

III. [REDACTED]

The following information was provided by [REDACTED] during the period of [REDACTED]. The information will be classified "SECRET" in its entirety because of the national security aspects of some of the information. The information must not be disseminated outside the FBI to protect source.

b7D
b7F

(S)

b6
b7C
b7D
b7F

Source is [REDACTED]

~~CONFIDENTIAL~~

Source initially learned [REDACTED]

b6
b7C
b7D
b7F

During [REDACTED]

source

learned that [REDACTED]

b7D
b7F

On [REDACTED]

source learned [REDACTED]

b7D
b7F

Source advised that [REDACTED]

b6
b7C
b7D
b7F

Source advised [REDACTED]

b6
b7C
b7D
b7F

Source will [REDACTED]

[REDACTED]

b7D
b7F

[REDACTED] (S) (U)

In regard to [REDACTED]

[REDACTED]

b7D
b7F

[REDACTED] (S) (U)

On [REDACTED]

[REDACTED]

b7D
b7F

[REDACTED] (S) (U)

RELIABILITY OF SOURCE:

[REDACTED] Source has been providing information to the FBI
[REDACTED] Source has continued to provide highly accurate
information [REDACTED]

b7D
b7F
b7E

[REDACTED]
[REDACTED] (S) (U)

[REDACTED]

b7D
b7F
b3

[REDACTED] (S) (U)

In regard to [REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED] (S) (U)

IV. REQUEST OF THE BUREAU:

[REDACTED] The Bureau is requested to approve and support the
being set forth by New York to bring about the
[REDACTED] In this regard,
coordination is needed between NY FBI, FBIHQ, SDNY, DOJ,
DOS, Legats in Europe [REDACTED]

b7D
b7F
b7E

[REDACTED] It is imperative this be smoothly
and confidentially handled [REDACTED]

[REDACTED]

[REDACTED] (S) (U)

V. AUSA OPINION:

United States Attorney, SDNY and staff have been
provided an initial overview of [REDACTED]

b7E

[REDACTED] They strongly concur with
the pursuit of [REDACTED] and will commit their full resources
to assist the NYO of the FBI to insure optimum benefit of
[REDACTED]

It is the position of the SDNY that [REDACTED]

b7E

[REDACTED]

196A-1774/-215

SEARCHED	INDEXED
SERIALIZED	FILED
mL	
JAN 10 1984	
FBI — NEW YORK	
13	

Copies to Offices Checked

TO: SAC:

- | | | |
|--|---|---|
| <input type="checkbox"/> Albany | <input type="checkbox"/> Houston | <input type="checkbox"/> Oklahoma City |
| <input type="checkbox"/> Albuquerque | <input type="checkbox"/> Indianapolis | <input type="checkbox"/> Omaha |
| <input type="checkbox"/> Alexandria | <input type="checkbox"/> Jackson | <input type="checkbox"/> Philadelphia |
| <input type="checkbox"/> Anchorage | <input type="checkbox"/> Jacksonville | <input type="checkbox"/> Phoenix |
| <input type="checkbox"/> Atlanta | <input type="checkbox"/> Kansas City | <input type="checkbox"/> Pittsburgh |
| <input type="checkbox"/> Baltimore | <input type="checkbox"/> Knoxville | <input type="checkbox"/> Portland |
| <input type="checkbox"/> Birmingham | <input type="checkbox"/> Las Vegas | <input type="checkbox"/> Richmond |
| <input type="checkbox"/> Boston | <input type="checkbox"/> Little Rock | <input type="checkbox"/> Sacramento |
| <input type="checkbox"/> Buffalo | <input type="checkbox"/> Los Angeles | <input type="checkbox"/> St. Louis |
| <input type="checkbox"/> Butte | <input type="checkbox"/> Louisville | <input type="checkbox"/> Salt Lake City |
| <input type="checkbox"/> Charlotte | <input type="checkbox"/> Memphis | <input type="checkbox"/> San Antonio |
| <input type="checkbox"/> Chicago | <input type="checkbox"/> Miami | <input type="checkbox"/> San Diego |
| <input type="checkbox"/> Cincinnati | <input type="checkbox"/> Milwaukee | <input type="checkbox"/> San Francisco |
| <input type="checkbox"/> Cleveland | <input type="checkbox"/> Minneapolis | <input type="checkbox"/> San Juan |
| <input type="checkbox"/> Columbia | <input type="checkbox"/> Mobile | <input type="checkbox"/> Savannah |
| <input type="checkbox"/> Dallas | <input type="checkbox"/> Newark | <input type="checkbox"/> Seattle |
| <input type="checkbox"/> Denver | <input type="checkbox"/> New Haven | <input type="checkbox"/> Springfield |
| <input type="checkbox"/> Detroit | <input type="checkbox"/> New Orleans | <input type="checkbox"/> Tampa |
| <input type="checkbox"/> El Paso | <input checked="" type="checkbox"/> New York City | <input type="checkbox"/> Washington Field |
| <input type="checkbox"/> Honolulu | <input type="checkbox"/> Norfolk | |
| <input type="checkbox"/> ASAC, New Rochelle (MRA) | | |
| <input type="checkbox"/> ASAC, Brooklyn-Queens (MRA) | | |

RE: *PINCUS GREEN, FUGITIVE*
MAIL FRAUD, WIRE FRAUD, TAX EVASION,
RACKETEERING

Bufile

Urfile

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY

b6

b7C

AUTOMATED SEARCH
 DATE

FEB 10 1984

Date

1-5-84

Validate NCIC Record
 Modify to Include FPC

b6

b7C

☐ Enclosed is subject's identification record. FBI #

☒ Enclosed is identification record of an individual who may or may not be identical with subject. Endeavor to determine and advise whether these individuals are identical. FBI #

If identical to fugitive, submit supplemental FD-65.

☐ A search of the name files of the Identification Division did not disclose a fingerprint record for the above-named fugitive. Endeavor to develop any additional data that will identify this individual with a fingerprint record.

☐ Identification record consists only of military fingerprints. Fugitive notice being maintained ☐ identical or ☐ may be identical with FBI # _____

☐ Enclosed is information extracted from identification record FBI # _____ as requested in urlet _____

☐ Photographs and negatives transmitted herewith. ☒ No photograph available.

☐ Photograph may be obtained from _____

☐ Original photograph from _____ on microfilm and will be furnished upon request

☐ FBI number _____ pertains to one _____ . Modify NCIC record.

NCIC CLASSIFICATION

b6

b7C

FINGERPRINT CLASSIFICATION:

MANENTLY IN

Enc. 2

Identification Division

**UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
IDENTIFICATION DIVISION
WASHINGTON, D.C. 20537**

PAGE BU- 1

b6
b7C

01/05/84

Use of the following FBI record, NUMBER is **REGULATED BY LAW**. It is furnished **FOR OFFICIAL USE ONLY** and should **ONLY BE USED FOR PURPOSE REQUESTED**. When further explanation of arrest charge or disposition is needed, communicate directly with the agency that contributed the fingerprints. 02

Contributor: Identifier (ORI) Name Case Number (OCA)	Subject: Name State Number (SID)	Arrested or Received	C - Charge D - Disposition
<p>THE SUBJECT'S IDENTIFICATION RECORD APPEARING HEREUNDER HAS BEEN RETRIEVED FROM THE IDENTIFICATION DIVISION FILES BASED ON DESCRIPTORS FURNISHED IN YOUR REQUEST WHICH MATCHED THOSE ON FILE.</p>			
ALL DESCRIPTORS ON FILE ARE LISTED BELOW.			
NAME OF YOUR DESCRIPTOR REQUEST	IDENTIFICATION DIVISION FILES	NAME OF DESCRIPTOR	YOUR REQUEST <div style="text-align: center;">b6 b7C</div>
RACE SEX HEIGHT WEIGHT HAIR EYES SCARS ETC.	<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto;"></div>	BIRTH DATE BIRTH CITY BIRTH PLACE SOC SEC NO. MISC ID NO.	<div style="border: 1px solid black; width: 150px; height: 80px; margin: 10px auto;"></div>
<p>ATTENTION-- SINCE NEITHER FINGERPRINTS NOR ANY IDENTIFYING NUMBER WHICH IS INDEXED IN OUR FILES ACCOMPANIED YOUR REQUEST, THE FBI CANNOT GUARANTEE IN ANY MANNER THAT THIS MATERIAL CONCERNS THE INDIVIDUAL IN WHOM YOU ARE INTERESTED.</p>			
<p>NATIONAL CRIME INFORMATION CENTER FGPT. CLASS: </p>			

b6
b7C

**ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY**

☐ General Indices
☐ OCIS

☐ Confidential Indices
☐ ISIS

☐ ELSUR Indices
☐ IIS

TO: SUPPORT SERVICES SUPERVISOR

Subject

Green, Pincus

Date

Social Security Account #

Aliases

Address

Birth Date

Birthplace

Race

Sex

☐ Male

☐ Female

☐ Exact Spelling

☐ All References

☐ Main Subversive Case Files Only

☐ Subversive References Only

☐ Main Criminal Case Files Only

☐ Criminal References Only

☐ Main Subversive (If no Main, list all Subversive References)

☐ Main Criminal (If no Main, list all Criminal References)

☐ Restrict Locality of

File & Serial Number

Remarks

File & Serial Number

Remarks

196-1774-13,38

3/82

Requested by

Squad

Extension

File No.

Searched by

(date)

Consolidated by

(date)

Reviewed by

(date)

File Review Symbols

I - Identical
NI - Not identical

? - Not identifiable
U - Unavailable reference

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

ADVICE OF RIGHTS

1. YOU MAY REFUSE TO ANSWER ANY QUESTION IF A TRUTHFUL ANSWER TO THE QUESTION WOULD TEND TO INCRIMINATE YOU.
2. ANYTHING THAT YOU DO SAY MAY BE USED AGAINST YOU BY THE GRAND JURY OR IN A SUBSEQUENT LEGAL PROCEEDING.
3. IF YOU HAVE RETAINED COUNSEL, THE GRAND JURY WILL PERMIT YOU A REASONABLE OPPORTUNITY TO STEP OUTSIDE THE GRAND JURY ROOM TO CONSULT WITH COUNSEL IF YOU SO DESIRE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY

b6
b7c

196A-1774-216

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

Transmit attached by Facsimile - UNCLAS

Precedence Priority

To: SAC, HOUSTON (196B-881)

Date: 1/10/84

From: ADIC, New York (196A-1774)(P)(M-1)

Time: Transmitted - 9:20 AM

Subject: MARC Rich - Fugitive

Initials -

PINCUS GREEN - Fugitive

RICO - FBW - MF - TAX EVASION

☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other

Subpoena 196A-1774

b6
b7C
b3

Special handling instructions

can be found at

a non-published number. Obtain subscriber to determine address and serve subpoena. Do not call to set up appointment. Also [redacted] name
[redacted] Post Office may provide
owner of [redacted] and address. [redacted]

Approved: [Signature]

Any questions call SA [redacted] NYO ext [redacted]

FBI/DOJ

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO [REDACTED] Esq. b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED] at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in regard to an alleged violation of Section

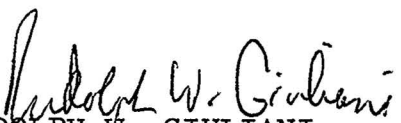
b3

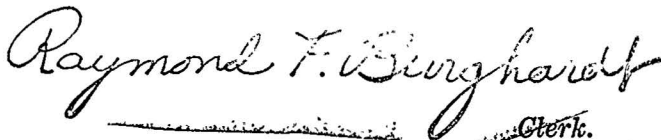
Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. January 9, 1984.


RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York


Clerk.

Note: Report at Room ⁷⁶⁷~~450~~. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room ⁷⁶⁷~~450~~, upon each day on which you attend Court as a witness.

Assistant [REDACTED]

Room [REDACTED]

b6
b7C

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

Transmit attached by Facsimile - UNCLAS

Precedence PRIORITY

To: SAC, Houston (196 B-881)

Date: 1/10/84

From: ADIC, New York (196 A-1774) (P)(M-1)

Time: Transmitted - 9:30

Subject: MARC Rich - Fugitive;

Initials - RT

PINCUS GREEN - Fugitive;

RICO - FBW - MF - TAX EVASION

☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other Subpoena

Special handling instructions:

[redacted] CAN be Found at [redacted] (NP)
 Obtain subscriber to phone number to determine address. Do not
 CALL TO see if [redacted] is there. ALSO, [redacted] name is [redacted]

Approved: [signature]

FBI/DOJ

Post Office may provide wh [redacted] address.

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY [redacted]

b6
b7Cb6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[REDACTED]

b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside; you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED] at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in regard to an alleged violation of Section

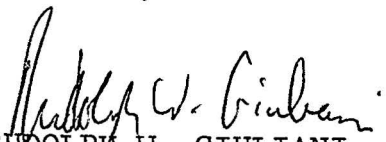
b3

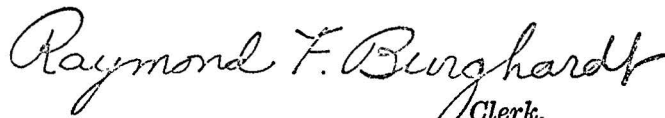
Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. January 9, 1984.


RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York


Clerk.

Note: Report at Room ⁷⁶⁷ 450. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room ⁷⁶⁷ 450, upon each day on which you attend Court as a witness.

Assistant

[REDACTED]

Room

[REDACTED]

b6
b7C

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

FBI

TELETYPE

PRIORITY

UNCLAS

1/13/84

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

~~DIRECTOR FBI (196-2848) 2523~~

(ATTN: SUPV. [REDACTED])

FINANCIAL CRIMES)

b6
b7C

BT

UNCLAS

b6
b7C

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH
& CO., A.G.; MARC RICH & CO., INTERNATIONAL, LTD, AKA, "CLARENDON
A.G." RICO-FBW-MF-TAX EVASION-TRADING WITH ENEMY; OO:NEW YORK.

AS OF [REDACTED]

LEONARD SAND [REDACTED]

BEFORE JUDGE [REDACTED]

JUDGE SAND REQUESTED THAT [REDACTED]

b3

- 1 - New York
- 1 - Supervisor M-1

MEB:nof026V3
(2)

Approved: [Signature]

Transmitted

158/157

Per [Signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [Signature]

[Signature]

b3

	JUDGE SAND FURTHER	

FBI-HQ WILL BE KEPT ADVISED.

ZCZCNY0157

P HQ

E NY #0158 0132411

NR UUUUU

132300Z JAN 84

M FBI NEW YORK (196A-1774) (P) (M-1)

O DIRECTOR FBI (196-2848) PRIORITY

b6
b7C

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES

T

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH

CO., A.G.; MARC RICH & CO., INTERNATIONAL, LTD, AKA, "CLARKNDON

b6
b7C

.G." RICO-FRW-MF-TAX EVASION-TRADING WITH ENEMY; OO:NEW YORK.

AS OF [REDACTED]

b3

BEFORE JUDGE

EDONARD SAND [REDACTED]

JUDGE SAND REQUESTED THAT [REDACTED]

96A-1774-219

R

PAGE TWO DE NY 0158 UNCLAS

[REDACTED]

b3

[REDACTED] JUDGE SAND FURTHER [REDACTED]

[REDACTED]

FBI-HQ WILL BE KEPT ADVISED.

T

0158

Transmit attached by Facsimile - UNCLAS

Precedence

Priority

To: SAC, HOUSTON (196B-881)
 From: ADIC, NEW YORK (196A-1774) (P) (M-1)
 Subject: MARC RICH - FUGITIVE;
 PINCUS GREEN - FUGITIVE;
 et al
 RICO - FBW - MF - TAX EVASION

Date:

1/10/84

Time: Transmitted -

9:40

Initials -

R.I.

☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other

Subpoena

196A-1774

Special handling instructions:

- Please serve subpoena ASAP due to short return date.

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY [redacted]

Approved:

[Signature]

R

b6
b7C

SEARCHED

FILED

1983



FBI/DOJ

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted] at [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in regard to an alleged violation of Section

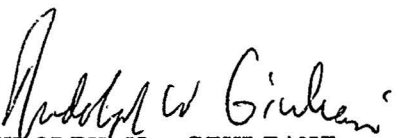
b3

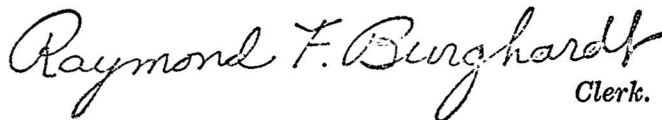
Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. January 9, 1984.


RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York


Clerk.

Note: Report at Room ⁷⁶⁷~~450~~. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room ⁷⁶⁷~~450~~, upon each day on which you attend Court as a witness.

Assistant

[Redacted]

Room

[Redacted]

b6
b7C

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

Transmit attached by Facsimile - UNCLAS

Precedence PriorityTo: SAC - New York 176A-1774
From: SAC - Seattle 29A-2948 (P)

Date: 1/10/84

Time Transmitted -

Subject: [REDACTED]

b6
b7C

Initials -

PE 21
Seattle, Wash.
OO: SE☐ Fingerprint Photo☐ Fingerprint Record☐ Map☐ Newspaper clipping☐ Photograph☐ Artists Conception☒ Other Subpoena

Special handling instructions:

N.Y. requested to serve so records
can reach Grand Jury, Seattle, on
call AUSA [REDACTED] on any questions.Approved: DCG/pabb6
b7C
b3
FBI/DOJALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]b6
b7C

176A-1774-220

SERIALIZED 1

INDEXED 1

1984

[REDACTED]

b6
b7C

SUBPOENA TO TESTIFY BEFORE GRAND JURY

United States District Court		DISTRICT WESTERN WASHINGTON at Seattle
TO:	<div style="border: 1px solid black; width: 150px; height: 40px; margin-bottom: 5px;"></div> b6 b7C b3	SUBPOENA FOR <input type="checkbox"/> Person <input checked="" type="checkbox"/> Document or Object

YOU ARE HEREBY COMMANDED to appear in the United States District Court at the location, date, and time specified below to testify before the Grand Jury in the above entitled case.

PLACE United States Courthouse 3rd Floor 310 & Madison Seattle, Washington	COURTROOM Room 311 DATE AND TIME <div style="border: 1px solid black; width: 150px; height: 30px; margin-top: 5px;"></div> b3
--	--

YOU ARE ALSO COMMANDED to bring with you the following document(s) or object(s):⁽¹⁾

Records and documents as requested on Page 2 of this subpoena.

☐ Please see additional information on reverse

This subpoena shall remain in effect until you are granted leave to depart by the court or by an officer acting on behalf of the court.

CLERK Bruce Rifkin	DATE January 5, 1984
BY: <div style="border: 1px solid black; width: 250px; height: 30px; display: inline-block;"></div> b6 b7C	CE 820527 6-83
This subpoena is issued on application of the United States of America by:	NAME, ADDRESS AND PHONE NUMBER OF ASSISTANT U.S. ATTORNEY <div style="border: 1px solid black; width: 100px; height: 20px; display: inline-block;"></div> ADISA WASHINGTON 98101 ... 1-207-70

1) If not applicable, enter "none"

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY

b6
 b7C

SUBPOENA TO TESTIFY BEFORE GRAND JURY

Continued

Page 2 of 2

And bring with you.....

(1)

b3

(2)

b3

RETURN OF SERVICE⁽²⁾

RECEIVED BY SERVER	DATE 1/12/84	PLACE	
SERVED	DATE 1/12/84	PLACE	
SERVED ON (NAME)			
	b6 b7C b3		
SERVED BY	TITLE		

STATEMENT OF SERVICE FEES

TRAVEL	SERVICES	TOTAL

DECLARATION OF SERVER⁽³⁾

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.

Executed on _____
 Date Signature of Server
 Address of Server

ADDITIONAL INFORMATION

As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.
 Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof.
 See Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure, or on behalf of certain indigent parties and criminal
 defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)."

INFORMATION REGARDING DOCS TECH SUBPOENAS

The documents requested in the attached Duces Tecum subpoena are to be delivered to the Grand Jury; and, if it would be of greater convenience to you, in lieu of personal delivery to the Grand Jury, the documents may be mailed to:

Personnel of the Grand Jury

6/10

Assistant United States Attorney
3600 Seafirst Fifth Avenue Plaza
800 Fifth Avenue
Seattle, Washington 98104

b6

b7C

Should you elect to mail the documents, said mailing should be accomplished in a timely fashion to insure that the documents can be provided to the Grand Jury on the prescribed date.

VZCZCHQ0928

RR NY

DE HQ #0085 0142111

ZNR UUUUU

R 161905Z JAN 84

FM DIRECTOR FBI

TO FBI NEW YORK (196A-1774) POUTINE

BT

UNCLAS

MARC RICH - FUGITIVE; PINGUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

DBA MARC RICH AND COMPANY, A.T.; RICO; FRW; MF; TAX EVASION;

OO: NEW YORK

RENY FD-515 TO THE DIRECTOR, DATED 12/31/83.

IN THE ABOVE REFERENCED FD-515, NEW YORK CLAIMED A RECOVERY
OF \$22 MILLION. ANY RECOVERY IN EXCESS OF \$1 MILLION REQUIRES
AN EXPLANATORY LHM SHOWING HOW ACTIONS OF THE FBI LEAD TO THE
RECOVERY. NEW YORK IS REQUESTED TO FURNISH FBIHQ AN
EXPLANATORY LHM.

BT

#0085

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

2-21-01

b6
b7C

196A-1774-220A

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 16 1984	
[REDACTED]	

b6
b7C

X AIRTEL

JAN 1984

TO: SAC, SEATTLE (29A-2948) (P)

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: [REDACTED]
ET AL
SEATTLE, WASHINGTON
BF&E
(OO: SE)

b6
b7C

Re Seattle subpoena transmitted by facsimile to
New York on 1/10/84.

Enclosed for Seattle is the original facsimile
subpoena for return of service.

On 1/12/83, above referenced subpoena was served
on [REDACTED]

[REDACTED] Telephone Number

b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

2-Seattle (29A-2948) (Encl. 1)
①-New York (196A-1774)

MEB:md
(4) *md*

196A-1774-221

mur-3

FBI

TELETYPE

ROUTINE

UNCLAS

1/20/84

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

ROUTINE

NEW YORK (196A-1774) (P) (M-1)

b6
b7C

ROUTINE

DIRECTOR (196-2848)

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY, A.G; MARC RICH AND COMPANY INTERNATIONAL, LTD.
AKA, "CLAREDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH
ENEMY; OO: NEW YORK.

b6
b7C

RENYTELETYPE TO BUREAU, DATED JANUARY 13, 1984.

AUSA [REDACTED] SOUTHERN DISTRICT OF NEW YORK RELATED
THAT THE [REDACTED]

b6
b7C
b3

1 - New York
1 - Supervisor M-1
MEB:mmm047V3
(2)

Approved: [Signature]

Transmitted 133/551

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT TO THE
PROCESSING SUPERVISOR, NOT TO THE TELETYPE UNIT

WP Initials: [REDACTED]

196A-1774-222

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 23 1984	
[REDACTED]	

b6
b7C

[REDACTED]
PURSUANT TO JUDGE SAND'S ORDER. [REDACTED]
[REDACTED]

b3

ON [REDACTED], ORAL ARGUMENTS WILL BE HEARD BY JUDGE SAND
[REDACTED]

b3

FBIHQ WILL BE KEPT ADVISED OF DEVELOPMENTS.

ZCZCNY051

R HQ

E NY #0133 0202152

NR UUUUU

202116Z JAN 84

M FBI NEW YORK (196A-1774) (P) (M-1)

O DIRECTOR FBI (196-2848) ROUTINE

b6
b7C

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES

T

UNCLAS

MARG RICH - FUGITIVE; PINGUS GREEN - FUGITIVE; [REDACTED] MARG

b6
b7C

RICH AND COMPANY, A.G.; MARG RICH AND COMPANY INTERNATIONAL, LTD.

KA, "CLAPEDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH

ENEMY; OO: NEW YORK.

RENYTELETYPE TO BUREAU, DATED JANUARY 13, 1984.

AUSA [REDACTED] SOUTHERN DISTRICT OF NEW YORK RELATED

b6
b7C
b3

THAT THE [REDACTED]

1100 1774-222

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 23 1984	
FBI - NEW YORK	

PAGE TWO DE NY 0133 UNCLAS

b3

PURSUANT TO JUDGE SAND'S ORDER, [REDACTED]

b3

ON [REDACTED] ORAL ARGUMENTS WILL BE HEARD BY JUDGE SAND

b3

FRIHQ WILL BE KEPT ADVISED OF DEVELOPMENTS.

P

0133

(Submit within 30 days from date of accomplishment)

Date **MAR 28 1964**

Bureau File Number

Field Office File Number

Squad or RA Number

☐ - X if case involves
corruption of a public
official (Federal, State or
Local).

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

18. Show Money Rating Usage

1. Acctg Tech Assistance	Rating	8. ELSUR - Title III	Rating	11. Lab Div - Field Support	Rating	17. Surveil: Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Tol Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)				D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)			
				Property or PELP Type Code *	Recoveries	Restitutions	Potential Economic Loss Prevented
3. Arrests, Locates, Summonses & Subpoenas (No. of subjects)							
Subject Priority (See Reverse)							
A B C							
FBI Arrests -							
FBI Locates -							
Number of Subjects of FBI Arrests Who Physically Resisted _____							
Number of Subjects of FBI Arrests Who Were Armed _____							
Criminal Summons _____ Subpoenas Served _____							
I. Release of Hostages: (Number of Hostages Released)				E. Civil Matters			
Hostages Held By Terrorists _____; All Other Hostage Situations _____				Amount of Suit		Government Defendant	Government Plaintiff
				Settlement or Award		\$	\$
						\$	Enter AFA Payment Here

b3

[illegible]

Remarks: Pursuant to 8/5/83

196A-1774-223

** Case involves a Joint Investigation between FBI, IRS, and U.S. Customs.

Field Office (1-IAU) (1-66-8492) (1-Supv. M-1) (1-196A-1774)

a codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

Identify the other Federal Agency(ies) in the Remarks Section.

MEB:jbc
(6)

FBI/DOJ

b3

No	Description	No	Description
1	Cash (U.S. and foreign currency)	21	Blank Negotiable Instruments or Tickets
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)	22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)	23	Counterfeit or Pirated Sound Recordings or Motion Pictures
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)	24	Bank Theft Scheme Aborted
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)	25	Ransom, Extortion or Bribe Demand Aborted
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)	26	Theft From, or Fraud Against, Government Scheme Aborted
7	Jewelry (including unset precious and semiprecious stones)	27	Commercial or Industrial Theft Scheme Aborted
8	Precious Metals (gold, silver, silverware, platinum, etc)		
9	Art, Antiques or Rare Collections		
10	Dangerous Drugs		
11	Weapons or Explosives		
12	Businesses or Assets Forfeited		
20	All Other Recoveries (not falling in any category above)	30	All Other Potential Economic Loss Prevented (not falling in any category above)

*The case file must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes *

- Enter Description Code Only When Reporting a Conviction -

• Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Official Or Employees:

- 6A Federal - Elected Official
- 6B Federal - Nonelected Executive Level
- 6C Federal - All Other
- 6D State - Elected Official
- 6E State - Nonelected Executive Level
- 6F State - All Other
- 6G Local - Elected Official
- 6H Local - Nonelected Executive Level
- 6J Local - All Other

Bank Officers Or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions

Subject Priorities for FBI Arrest or Locates:

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Convictions Other Than Federal:

It is permissible to claim a local (state, county or local) conviction if the FBI's investigation significantly contributed to the successful local prosecution. A succinct narrative setting forth the basis for claiming a local conviction must accompany this report. When claiming a conviction other than Federal, enter the word "LOCAL" in the "Conviction-Section" block, disregard the number of conviction counts, but enter the sentence in the appropriate blocks. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for all capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

1. The subject becomes a fugitive after conviction but prior to sentencing.
2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, not the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

- Since more than one IA/T could have contributed to the accomplishment, each IA/T must be rated.
- The IA/T used must be rated each time an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

- COVER OF FORTUNE
1/23/84 EDITION

196 A-1774 -224

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 25 1984	
FBI - NEW YORK	
mwp	

JANUARY 26, 1997

FORTUNE

**SECRETS OF
MARC RICH**



ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

DEALS OF THE YEAR
**MICROSOFT'S DRIVE
TO DOMINATE
SOFTWARE**

**WHERE MGM,
THE NCAA,
AND JERRY FALWELL
FIGHT FOR CASH**

SECRETS OF MARC RICH

■ Marc Rich threw a bash late last year to celebrate the opening of a new restaurant his company built across an alley from its blue-glass headquarters in Zug, the foggy Swiss town where Rich lives beyond the reach of a U.S. warrant for his arrest. Local politicians were among the guests who spooned oxtail soup and tapped their feet to tunes by an all-female steel band. To his Swiss friends, who see Rich as more folk hero than fugitive,

Rich expressed high hopes that his legal troubles would soon end, and that Marc Rich & Co. AG would endure in Zug as a model of corporate citizenship.

HIS ELAN INTACT, Rich seems firmly in command in Zug. Across the Atlantic, he's charged in one of the biggest tax fraud cases in American history. The notoriety is bitter indeed for the nimble entrepreneur who—while remaining a mystery man outside the secretive fraternity of traders—in less than a decade built a huge commodities trading empire that challenged his archrival and alma mater, Philipp Brothers. Rich and his partner, Pincus "Pinky" Green, along with their privately held Swiss parent company and a former subsidiary that operated in the U.S., have been indicted for violating now-defunct controls on oil prices to create \$105 million in income, then shipping the profits offshore to escape paying \$48 million in U.S. taxes. Rich and Green, both 49, also face charges of trading with the enemy for buying oil from Iran during the hostage crisis of 1980. After more than a year of legal wrangling that spawned scores of headlines, and fumbling attempts to foil the courts worthy of the Keystone Kops, the trial is set for March. The two companies—and an oil trader named Clyde Meltzer who worked for Rich and was also indicted—will face a Manhattan jury. But Rich and Green can't be tried unless they show up, a remote possibility. And a U.S. treaty with Switzerland will

RESEARCH ASSOCIATE *Louis S. Richman*

make it tough to extradite them.

Legal woes have taken a heavy toll on the business. Last summer the subsidiary operating in the U.S. changed its name, from Marc Rich International to Clarendon, and its ownership, to exclude Rich and Green. But business evaporated anyway, and now the U.S. branch of Clarendon is all but extinct. In Zug, Marc Rich AG still does a brisk business in aluminum and other metals, but the company has closed up shop in gold, sugar, grain, and some other commodities. Oil trading, Rich's specialty, is in a rut. Traders at major oil companies must carefully check all Rich deals with their lawyers, a restriction that has chilled business. A few of Rich's traders based in Europe have quit, and others are talking about leaving. Sighs one of the departed: "This company has gone through hell."

The torture includes fines of \$50,000 a day, dutifully delivered by messenger to a federal courthouse in twice-weekly installments, a ritual due to continue until the company complies with a subpoena for documents, or the court deigns to lift the fines. Marc Rich AG can probably afford to pay for a while. According to Swiss tax records obtained by FORTUNE, the company had a net worth of more than \$200 million in 1981.

Reliable accounts of Rich's rapid rise and fall have been as elusive as the man himself. Rich made the only known public utterances of his 31-year career on a Swiss radio broadcast last September. Asked if he had good "contact" with the Swiss, he replied in smooth German: "Not yet. Most people who



Rarely photographed, Marc Rich (left) and his



Partner, Pinky Green, are fugitives, but they're not completely out of sight. This picture was taken in November in Zug, Switzerland, where they now live.

want to have contact with me are reporters or photographers." Practically all of them failed. Yet FORTUNE has uncovered new information that illuminates Rich's remarkable career. His success owes much to an especially close relationship with William Ariano, formerly a top oil trader with Los Angeles-based Atlantic Richfield and now Arco's vice president of crude trade relations. Besides purchasing Nigerian crude from Marc Rich at huge premiums during the oil shortage of 1979 and 1980, Arco—unwittingly, according to one of its lawyers—allegedly fed oil into a Texas "daisy chain" that further enriched Rich's trading company. And as a second Rich daisy chain turned out profits alleged by the government to be illegal, Arthur Andersen & Co. was the accountant for a key player in the chain, West Texas Marketing Corp. of Abilene, Texas. An answer to a routine question federal prosecutors asked principals of West Texas Marketing in 1981 may well have triggered the government's investigation of Rich.

BORN IN BELGIUM in 1934, Marc was an only child who fled the Nazis with his European Jewish parents and eventually settled with his family in Mount Vernon, a comfortable suburb of New York City. Marc's father, David Rich, had banking interests in Bolivia and was in the burlap-bag business. Marc graduated from Rhodes School in Manhattan, an expensive if not demanding private school. No great shakes in the classroom, he enrolled at New York University but never graduated.

With the help of a Philipp Brothers trader who had done business with Rich's father, Marc got a job in the mailroom at the firm's headquarters in New York when he was 18. Over the next 21 years at Philipp Brothers, Rich proved a superb student of the business: he would later pursue on his own: purchasing commodities from producers such as mining companies and governments, then delivering cargoes to manufacturers and other customers scattered around the globe. Philipp Brothers became Phibro in 1981, and the next year, following its purchase of the securities firm of Salomon Brothers, was renamed Phibro-Salomon. But when Rich went there in the early 1950s, the firm was a tightly knit group of German Jewish immigrants who, like Rich, were short on diplomas and long on the work ethic.

Rich quickly rose from the mailroom to the telex-driven world of the traffic department, and finally to a desk outside the office of a senior trader who made the young comer his assistant. Rich helped trade tin and manganese, and carved out a niche of his own by specializing in mercury, a little-trad-

In 1973, when Philipp Brothers managers gathered to be photographed for the annual report, Rich and Green were conspicuously absent.

ed commodity used to make explosives and in thermometers. In trading, timing is often more crucial than pricing, and Rich's timing was quicksilver. In the early 1950s, mercury prices sailed upward.

Rich embarked around 1960 on a series of foreign assignments. After stints in Bolivia and Holland, in the mid-1960s he landed the post of office manager in Madrid. The Spanish economy was buoyant, and the nation's refiners hungry for oil. But the oil-trading industry, as it has since evolved, did not exist. Producing countries sold virtually their entire supply to major oil companies, which in turn traded mostly among themselves. In the late 1960s, however, producing nations began marketing oil to independent traders, and Marc Rich was a pioneer in the new business. He and Pinky Green, who operated from Zug, bought oil in the Middle East and sold it to Spain and other Mediterranean countries. Their dealings quickly established Philipp Brothers as a powerhouse in oil.

Their independent way of operating, however, led to disagreements with top management that set the stage for a dramatic break with Philipp Brothers. On their own authority, Rich and Green made a deal in 1973 to purchase large quantities of Iranian oil. According to one former Philipp Brothers official, the price was a near-record \$5 a barrel, well over the spot price at the time. The deal terrified the top brass in New York, especially since Rich and Green hadn't lined up a buyer. Yet the market was on an upswing, and the two traders were betting that spot prices would keep rising. In a series of tense conference calls, Philipp Brothers executives urged Rich and Green to sell out of the contract in a hurry. Reluctantly the two traders found a buyer at a small profit. But they were angry, and with good reason. By year-end, in the wake of the October Arab oil embargo, spot prices had gushed to \$13 a barrel.

A similar tiff occurred a few months later when Rich and Green verbally agreed to buy an oil tanker. Again, top management intervened, forcing the traders to welsh on the deal. Nevertheless, Rich and Green had plenty to be pleased about. In 1973 their feverish oil trading made huge profits. Rich was considered a crown prince, a likely successor to the aging European manager and eventually

to the firm's head, a dynamo named Ludwig Jesselson.

As a reward for their fabulous year, Rich and Green expected—and planned to fight for—fabulous bonuses. Philipp Brothers bonuses weren't based on a formula, but were arrived at by negotiations between a trader and his boss. The tightfisted Jesselson had the final say. As one veteran of sessions with him recalls, "He could rip you apart."

On a trip to Zug in November 1973 Jesselson closeted himself in heated negotiations with Rich and Green. The two traders demanded a whopping figure. A former Philipp Brothers executive believes they wanted \$500,000 apiece, a sum that would have been unprecedented; most senior traders were making about \$100,000 a year, including bonus. The top managers in Europe learned the outcome when they gathered to be photographed for the annual report. Rich and Green were conspicuously absent. A stony-faced Jesselson announced: "Before the rumors start, I want to say that Rich and Green asked for bonuses so high they would break our rules and traditions. They have separated. It's time to close ranks."

RICH AND GREEN left immediately and within days persuaded three other Philipp Brothers traders to join them. The five founders set up shop in a cramped converted apartment in Zug. The early trades were carefully hedged, not that there was much choice. Initial capital was only \$350,000, a nest egg that one bad deal could crack. Three founders—Rich, Green, and Alexander Hackel, a German citizen who lives in Zug—are still the major shareholders of Marc Rich AG.

Marc Rich AG ransacked its alma mater to hire new traders, telex operators, and secretaries. In Zug the Philipp Brothers office was infected with what one of its former managers characterizes as "Richophobia." Many of the fears were justified, as Rich quickly became a formidable competitor with a worldwide network of offices. In many cities, traders recruited from Philipp Brothers or another competitor simply moved down the street to open a one-man office for Marc Rich AG. Business fell into two categories, metals and crude oil. In the mid-1970s Rich snatched copper business previously controlled by Philipp Brothers in the Philippines. Destined to become the biggest aluminum trader in the world, Rich started buying and selling bauxite. And traders for Marc Rich AG courted the oil-producing countries, particularly African and South American nations.

Rich and Green kept changing their home base in the mid-1970s as they set up the company's three main offices in Zug, London, and



Described as a "business machine," Rich is a family man too. Marc and the rest of the Riches—his wife, Denise, and daughters (from left in the large picture) Ilona, Danielle, and Gabrielle—posed together at



a gathering not long ago. After a fancy meal (lower left), Marc is affectionately cheeky. The picture (upper left) with Danielle was probably snapped near his Long Island, New York, beach house.

New York. In 1975 they spent six months in London, then moved on to New York, where a single trader had been working out of a spare office provided by Rich's father. Though headquarters stayed in Zug, Rich and Green moved to New York with their families and ran the business from offices on Park Avenue.

They were an unlikely twosome, Marc Rich, the smooth cosmopolite, and Pinky Green, the homespun Brooklynite. Fluent in French, German, Spanish, and English, Rich likes to live and dress well. In New York he and his wife, Denise, whom he married in

1966, lived in a vast, expensively furnished Park Avenue apartment. Perched in bed there, Rich could press a gold button to make a television rise, sesame-like, from a marble box. An excellent skier, he religiously takes to the slopes in St. Moritz for two weeks in December. Graced with a lighthearted sense of humor as a young man, Rich grew more dour as he grew older. And his pace of work grew even more relentless. "He was a business machine," says one of his former traders. Rich's business day started no later than 7 A.M. and often stretched well into the evening. He demanded crisp answers from trad-

ers and could snap sarcastically to end a windy discourse.

Like Rich, Pinky Green had spent much of his career abroad. The globe-trotting, however, had little effect. While Rich resided on Park Avenue, Green, who is deeply religious, chose to live in his childhood neighborhood in Brooklyn near synagogues and kosher stores. He prefers to fly coach—standby if possible. "Why pay more?" he shrugs. "It's the same plane."

Rich and Green also had contrasting business talents. Rich supervised oil trading, hiring, and negotiation of salaries and bonuses.

continued

He paid well: by the late 1970s top traders made about \$500,000 a year, and some got stock as well. (Around 100 employees own Marc Rich AG shares, which must be cashed in upon leaving the company.) Green, nicknamed "the Admiral" by some friends, handled finance and shipping. Virtually a walking data base of freight rates, he could make money by simply swapping identical cargoes on the high seas to capitalize on differences in charter prices.

PROFITS WERE DAZZLING. In 1979 and 1980, according to Swiss tax records, Marc Rich AG made a total of \$367 million pretax. The money flowed into big investments. In 1981 a holding company 50% owned by Rich and his colleagues purchased Twentieth Century-Fox Film, whose board members now include former President Gerald Ford and former Secretary of State Henry Kissinger. Rich's partner in the holding company was Marvin Davis, the Denver oil man, and for many months after it bought the film company Rich's involvement in the movies remained secret. He has never joined the Fox board, and Kissinger told *FORTUNE* that he has met Rich only once, at a movie premiere.

The bonanza of 1979 and 1980 was a reward for the company's brashness in wooing producers. In the mid- and late-1970s Marc Rich AG secured long-term contracts for huge quantities of oil that would skyrocket in value during the oil shock of 1979. One big source was Nigeria. Another was Angola. After the Portuguese colonists had withdrawn from Angola in late 1975, major oil companies were loath to deal with the new Marxist government. Undaunted, Rich made a deal to market the government's oil.

Already flush with oil, Rich and Green got their hands on even more because of the Iranian revolution—the same event that was choking off supplies for almost everybody else. In 1980 the U.S. barred American companies from virtually all trade with the Khomeini government, which had itself banished U.S. and European companies as oil-trading partners. As a consequence, Iran was badly in need of new buyers. Marc Rich AG kept its office in Tehran, manned by a Frenchman who had to dodge bullets. In 1980, during the hostage crisis, the daring paid off with a big oil contract. But the U.S. government claims that the U.S. office of Marc Rich International broke the law in its trading with the Khomeini regime.

The turmoil in Iran gave monumental headaches to Atlantic Richfield, the seventh-largest U.S. oil company. By early 1979 the Iranian government had cut off oil to Arco, leaving the company short 200,000 barrels a



Former officers of West Texas Marketing Corp., David Ratliff (top) and John Troland were key players in a "daisy chain" that allegedly created vast profits for Rich's companies.

day—almost a fourth of what it needed to refine at full capacity. Arco trader Bill Ariano tried to strike a deal with Nigeria to make up the shortfall. When he had no luck, he turned to his buddy Marc Rich. After Rich left Philipp Brothers in 1973, Ariano quickly became his largest customer and a good friend. At one point Ariano's telexes to Rich were signed "Crude Bill" rather than the customary "Crude Arco." Ariano's son Michael worked for Rich a few years ago. And Rich once invited Ariano and his wife, Jeanne, to

Japan for the christening of a 42,000-ton tanker that would soon join the Marc Rich fleet. Its name: *Billy Jeanne A.*

Arco prized Rich as a supplier, and put up with inconveniences inflicted by some of his decrepit tankers. One, the *Mediterranean Sea*, once sailed into Arco's Philadelphia terminal in such dreadful shape that the company's inspectors, calling it a fire hazard, made it leave the dock. Rich got away with this, and with erratic deliveries, says a former Arco employee, because of one overriding virtue: "If Rich said he had oil, he had oil."

But he never said it came cheap. For his precious Nigerian supply, Rich charged Arco staggering premiums. In 1979 he negotiated two contracts with Ariano to supply a total of 40,000 barrels a day. For more than a third of those barrels, Rich exacted an \$8-a-barrel premium over Nigeria's official price—around \$24 at the time. For the rest he charged a \$5 markup. A second set of contracts signed a year later fetched premiums and commissions of \$3 and \$2.50. Over a 21-month period—which a former Rich trader calls "the halcyon days"—Rich sold Arco 27 million barrels of Nigerian oil and collected almost \$120 million in commissions and premiums. Though some of that may have gone to Nigerian suppliers, who reportedly were sticking surcharges on top of the official price, it's probable that by 1981 Rich's company had earned close to \$100 million. Arco nonetheless believes it got a good deal; the company notes that spot prices for oil like Nigeria's were higher than Rich's price during most of the period.

As profits flowed into Zug from Nigeria, Angola, and Iran, Rich began to eye oil pumped in the U.S. The domestic oil patch was caught in a bewildering thicket of government price controls. Introduced in 1973, the regulations multiplied into a system designed to hold down the price of oil discovered before prices shot up, and to make sure that refiners of all sizes had roughly the same access to that low-cost oil, commonly known as "old oil." Producers could charge more for "new oil," but still far less than its true market value. Finally, "stripper oil"—squeezed from wells producing fewer than ten barrels a day—escaped control altogether, and was accordingly the most expensive.

For many refiners, having the right mix of oil—old, new, stripper, and foreign—became an important, and entirely legitimate, consideration. Consequently, the number of oil trades increased exponentially. By the end of 1977 a whole sub-industry of resellers was flourishing in the business of trading these artificial tiers of oil.

Not all the trades were legitimate. As a former Department of Energy lawyer puts it:

"The stupid price regulations invited abuse from anyone with a telephone." To abuse the rules profitably, a crooked reseller merely had to relabel his controlled oil as stripper oil. Government auditors found it almost impossible to catch the label switchers because by the time their suspicions were aroused the oil had already moved through a maddeningly intricate series of transactions among dozens of resellers.

In 1978 West Texas Marketing Corp. was formed and joined the sub-industry of resellers. Near the end of the year WTM landed its first big deal: a contract with Marc Rich International in New York, won through an old business tie between a trader in that office and WTM's gung-ho chairman, John Troland. Marc Rich International helped the young company grab other business by introducing Troland and his partner, David Ratliff, to Cie Financière de Paris et des Pays-Bas, a big European bank that had long financed some of Rich's business. Within two years WTM was churning over \$2 billion of oil trades a year on an average daily volume of over 300,000 barrels. Rich represented perhaps 10% of the business.

WHAT DID RICH GET out of this? The government claims that he sold controlled oil to WTM, then repurchased it as stripper oil—but well below the market price for stripper—after it had been spun around a chain of resellers. Each reseller, beginning with WTM, tacked on a markup of 25 cents to 50 cents a barrel, then sold it to someone else in the chain. Along the way one of the brokers relabeled the oil and took a much bigger markup than the others for doing so. But the big profits were reserved for Rich's company. Once stripper oil was in its hands, it could be sold for whatever the market would bear. In 1980, when some controlled oil went for about \$7 a barrel, Rich could have made more than \$25 a barrel.

Through mid-1980 Marc Rich International bought and supplied the oil that was allegedly funneled into and out of illegal daisy chains. But later in the year, sources close to the transactions believe, Rich or someone at his company asked Arco to sell controlled oil to WTM: Arco and WTM had been trading with each other since 1979. But oil purchased under the new arrangement was deemed—by Rich and WTM, at least—to be special. According to the same sources, it was handled just like the oil Rich had earlier furnished himself: it emerged from the daisy chain as stripper oil and was resold to Marc Rich International. An attorney for Arco—to whom FORTUNE was referred when the company's chairman, Robert O.

There is no evidence that Arthur Andersen & Co. saw anything fishy about West Texas Marketing's sale of stripper oil to Rich at prices far below market.

Anderson, declined an interview—confirms that Arco did business with WTM from 1979 to 1982, but says he doesn't think Rich arranged any of that business. He adds: "I further believe that our people didn't understand that there was any relationship between Rich and West Texas Marketing until the indictment."

Oil sold by Arco to WTM may well have made up the bulk of the oil WTM allegedly dumped into daisy chains on behalf of Marc Rich International. Moreover, the indictment says Rich and Pinky Green arranged for Arco to sell 18 million barrels of controlled Alaskan crude to a second daisy-chaining reseller, Houston-based Listo Petroleum. According to the government, the Alaskan oil accounted for most of the daisy chain profits that Listo earned for Rich. (Clyde Meltzer, the trader indicted with Rich and Green, worked for Listo before he joined Rich.)

The Arco lawyer emphatically denies that the company was "daisy-chaining with Rich, or anyone else." He also says Arco had no knowledge of what was happening to any controlled oil it sold, and that the huge sale to Listo was made to get rid of excess inventory after demand unexpectedly softened in 1980. But a former Arco employee says that in the fall of 1979 an Arco pipeline employee suggested that Arco oil was being spun around illegal daisy chains. The source says he sent his boss a memo, based on information from the pipeline employee, asserting that oil in an Arco pipeline had been bought and sold by as many as 16 companies during the same month, only to be repurchased in some instances by Arco. The Arco lawyer says he knows of no such memo, and maintains that it would have been impossible for a pipeline employee to determine whether the trades were illegal or not.

At approximately the same time WTM was apparently using Arco oil as a substitute for Rich's supply, Marc Rich International was allegedly putting in place a second scheme that would become the basis of the government's tax fraud case against Rich and Green. The new deals, according to the indictment, had two distinct parts. As before, WTM would sell controlled oil into a daisy chain and take it out as uncontrolled stripper

oil. But rather than sell Marc Rich International the transformed oil at below-market prices, WTM would take the big markup and sell it at full value. WTM didn't keep the profits, however. Instead, it put them in a "pot" belonging—though there was no written agreement—to Marc Rich International.

As profits accumulated in the pot, a second set of transactions was used to drain them away, and to shunt them outside the domain of the Internal Revenue Service. This involved setting up what looked like money-losing deals for West Texas Marketing. Typically they went like this: Marc Rich AG over in Zug would sell oil to WTM at the market price; then WTM would sell the same cargo to another company—a Panamanian subsidiary of Marc Rich AG named Rescor—for below-market rates. The loss generated by this odd maneuver was charged to Rich's pot—no problem for him because Rescor could sell the cheap oil at the market price for a profit approximating the pot's loss. The Feds say these were sham transactions designed to defraud the IRS by siphoning the profits out of the U.S.

One might conjecture that so many inexplicable transactions would give WTM's auditors nightmares. But Arthur Andersen & Co., the Big Eight firm that was WTM's accountant from 1978 until early 1981, doesn't seem to have found the experience particularly memorable. Arthur Andersen audited WTM's financial statements every quarter from 1978 through the first quarter of 1980. The government contends that Rich was engaged in illegal daisy-chaining with WTM in that 1980 quarter, yet there is no evidence Arthur Andersen saw anything fishy about WTM's sale of stripper oil to Marc Rich International at prices far below market.

AFTER THE FIRST QUARTER of 1980, WTM's outside lawyers decided that WTM's books for earlier periods should be gone over again, taking into account new interpretations of Energy Department rules. That appears to have slowed up work on auditing later quarters, and an Arthur Andersen spokesman says the two partners on the account, whom he won't identify, can't recall how much work was done on the books for the last quarter of 1980, when WTM was allegedly taking those losses on the Rescor business to drain the pot. Neither partner, says the Arthur Andersen spokesman, "remembers any detailed discussions about Rescor," and in any case, the spokesman says, the firm never certified the accounts for periods in which there were Rescor transactions.

WTM ended 1980, its last good year, with a bang. To celebrate their good fortune, Tro-



Marc Rich AG employees, or anybody else, can duck into this restaurant the company built across the alley from its headquarters in Zug. Named the Glashof (glass house), it offers an eclectic menu of kosher

and vegetarian dishes, as well as Swiss specialties. At its opening last November, guests sipped champagne and dined on fish from a nearby lake, while an artist recorded her impressions of the festivities.

land and Ratliff paid themselves more than \$750,000 apiece and showered their employees with money. At year-end the two threw a Christmas bash at the Abilene Country Club for all 100 employees. The company's two Learjets were sent to fly in out-of-town traders and their families for the party. Gifts were passed around to all the employees' kids, and to Troland and Ratliff. Troland got an ostrich-leather jacket and matching cowboy boots; Ratliff got a dune buggy.

A month or so later the company began to unravel. About a week after he took office, President Reagan did away with price controls on domestic crude. Many oil resellers collapsed immediately. WTM quickly began to wind down deals that had been pegged strictly to the price tiers. In March, Justice Department lawyers charged that Troland and Ratliff had been involved in a 1979 scheme—separate from their dealings with Rich—to recertify controlled oil. By mid-April, after they had pleaded guilty and were sentenced to 14 months in prison, all that remained of WTM's association with Marc Rich was the matter of how much money was left in the secret profit pot.

In January the two firms had begun trying to piece together the answer to that question. The records were hopelessly muddled. Some crucial details didn't seem to be there at all. On April 30, just a few days before he and Ratliff were due to begin serving their

sentences, Troland and an associate flew to New York to settle up. They allegedly haggled with Rich over how much was left in the pot, then split the difference.

A MONTH LATER Troland and Ratliff were flown to Washington to be questioned by the same government lawyers who had successfully prosecuted them. Several weeks later they took another free trip out of jail, this time to Houston for more of the same routine questioning on the oil-reselling industry. Toward the end of the second day, in a suite at a Houston hotel, one of the government lawyers asked if WTM had ever held money for another company, a common practice in schemes to evade taxes. The two Abilene oilmen wondered aloud whether the Rescor deals they had done with Rich qualified. The next day they were back at a federal prison camp in Big Spring, Texas, unaware that they had probably triggered one of the biggest tax fraud cases ever.

In October 1982 word leaked out about a grand jury investigation into Rich's business. The probe led to subpoenas for thousands of documents. Marc Rich AG flatly refused to comply, arguing first that as a Swiss company, it was beyond the authority of a U.S. subpoena. After the U.S. courts threw out that argument last May, the company cited a second reason for hanging on to the documents:

Swiss secrecy laws banned it from handing them over.

Convinced that Marc Rich AG was determined to thwart the subpoena, the U.S. government began turning the screws last summer. The courts first slapped on fines of \$50,000 per business day that have so far cost over \$8 million. Marc Rich AG fought back with surprisingly inept maneuvers. In July, Rich and Green, apparently trying to shake the sanctions, secretly sold Marc Rich International to their Zug partner Alexander Hackel, who renamed it Clarendon. After that, the court froze Clarendon's bank accounts in the U.S. Marc Rich AG finally agreed to hand over the records in August. But the calm was soon shattered when customs agents seized Swiss-bound steamer trunks full of company documents from a runway at Kennedy Airport.

The incidents raised furors on both sides of the Atlantic, for different reasons. Many Swiss depend for their livelihood on the business generated by Swiss secrecy laws. The Swiss government warned that Marc Rich AG would violate those laws if it turned over the documents, and it denounced U.S. authorities for strong-arming the company to do so. The surrealistic crescendo came just a week after the trunk caper. Swiss authorities descended on Marc Rich AG's Zug headquarters and carted away documents ostensibly wanted by the U.S. grand jury.

The wrath of the U.S. courts was rivaled by that of the banks—major players in the destruction of Marc Rich International in the U.S. All trading companies need large amounts of short-term credit, and Rich's was no exception. In 1982 the U.S. operations had approximately \$1 billion in bank credit lines. The lenders became skittish shortly after word of the investigation began circulating in late 1982. Chemical Bank struck the first blow in January 1983, when it crossed Marc Rich International off its list of customers. By spring Manufacturers Hanover had followed suit, and Chase Manhattan demanded a substantial reduction in its loans. The remaining creditors were in for some summer shocks. They learned that their borrower had new owners and a new name more than a week after the sale. In September, Clarendon had the gall to ask lenders to convert their lines of credit to a revolving \$250-million credit, an arrangement that would be more secure for the company. When the bankers demanded extra guarantees, Clarendon abandoned the idea. Business shrank along with borrowings, which plummeted between January and October from \$1 billion to \$130 million. The knockout punch landed in September, when the IRS froze \$90 million of the company's U.S. assets, including the stake in Twentieth Century-Fox.

RICH AND GREEN watched most of the horror show from Zug, where they had moved with their families by July. They face the challenge of preventing a U.S.-style stampede by their European banks and holding onto demoralized traders.

Then there is the question of their own future, hinging on whether they will stand trial. At the moment, chances for extradition appear slim. Neither tax evasion nor dealing with the enemy is an extraditable offense in Switzerland, though the third charge, tax fraud, can be. As a second line of defense, Rich and Green have claimed citizenship in other countries, from which their extradition might be even more difficult. Rich is a Spaniard, and FORTUNE has learned that Brooklyn-bred Pinky Green is now a Bolivian. Their empire may be far smaller than it was a year ago, but to nobody's surprise, they're still trading.

■ If two people ever had what it takes to succeed without breaking the law, they were Marc Rich and Pinky Green. Their troubles appear to stem less from greed than from a reckless insistence on playing by their own rules and treating those of others, such as the U.S. government, as if they were just another commodity to be negotiated. ■



Inside Business, I'm William S. Rukeyser.

Each week, FORTUNE Managing Editor William S. Rukeyser delivers FORTUNE to millions of people. People who listen to *Inside Business*, an informative CBS-syndicated radio series.

In 90-second segments, *Inside Business* takes you behind the scenes to probe a variety of timely and fascinating subjects.

You'll learn about successful marketing strategies and discover new

technological breakthroughs. You'll pick up insights on economic trends and changing international trade policies.

You'll go behind closed doors and into the world of mergers, acquisitions, and high-stakes investments.

You'll hear both sides of corporate power struggles. And more.

Today, *Inside Business* reaches 23 major markets. Listen for it in:

Baltimore, Md.	WCBM	Los Angeles, Ca.	KNX	San Antonio, Tx.	WOAI
Boston, Ma.	WEEI	Naples, Fl.	WNOG	San Francisco, Ca.	KCBS
Bryan, Tx.	KTAM	New York, N.Y.	WCBS	San Juan, P.R.	WOSO
Buffalo, N.Y.	WEBR	Philadelphia, Pa.	WCAU	Seattle, Wa.	KIRO
Chicago, Ill.	WBBM	Portland, Or.	KXL	Topeka, Ks.	WREN
Columbia, S.C.	WIS	St. Louis, Mo.	KMOX	Toronto, Canada	CKEY
Denver, Co.	KNUS	St. Maarten, NWI.	PJD2	(45 stations)	
Detroit, Mi.	WWJ	Salt Lake City, Ut.	KDYL	Washington, D.C.	WTOP

***Inside Business: 90 seconds of
topical news and views presented by FORTUNE.***

FORTUNE

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☒ Airtel

b6
b7C

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☒ ~~SECRET~~
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 1/26/84

~~SECRET~~

TO: DIRECTOR, FBI (196-2848)
(Attn: SUPV. [REDACTED] FINANCIAL CRIMES)

b6
b7C

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1) ~~ALL INFORMATION CONTAINED~~

SUBJECT: MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;

~~HEREIN IS UNCLASSIFIED~~
~~EXCEPT WHERE SHOWN~~
~~OTHERWISE~~

b6
b7C

[REDACTED]
MARC RICH & COMPANY, A.G.;
MARC RICH & COMPANY INTERNATIONAL, LTD, AKA
"CLARENDON A.G."
RICO; FBW; MF; TAX EVASION - TRADING WITH
ENEMY
OO: NY

This communication is clasified "SECRET"
~~in its entirety.~~

ReNYLHM to Bureau, dated 12/2/83 and NY
teletype to Bureau, dated 1/6/84.

Enclosed for the Bureau is the following:
A copy of a [REDACTED]

b7D
b7F
b7E

[REDACTED] (S) (U)
[REDACTED] (S) (U)

b6
b7C
b7D
b7F
b7E

- 2 - Bureau (Encls. 1)
① - New York
1 - Supv. M-1

MEB:mmm
(4)

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

Approved: _____ Transmitted _____
(Number) (Time)

Per 196A-1774-2225

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 26 1984	
FBI - NEW YORK	

NY 196A-1774

~~SECRET~~

With respect to [redacted]

b7D
b7F
b7E

[redacted] (~~S~~) (U)

Source further stressed that [redacted]

b7D
b7F
b7E

[redacted] (~~S~~) (U)

On [redacted] source provided [redacted]

b7D
b7F
b7E

[redacted] (~~S~~) (U)

b7D
b7F
b7E

[redacted] (~~S~~) (U)

In regard to [redacted]

b7D
b7F
b7E

[redacted] (~~S~~) (U)

Source further advised [redacted]

[redacted] (~~S~~) (U)

b7D
b7F
b7E

[redacted] are provided

FBI - HQ will be advised.

~~C and E G-3~~
~~OADR~~

THE NEW YORK TIMES, SATURDAY, JANUARY 28, 1964

Marc Rich's Fine Continued

By The Associated Press

A Federal judge ruled yesterday that Marc Rich & Company of Switzerland must continue to pay a \$50,000 daily fine that has already cost the Swiss commodities trader \$10 million.

Peter L. Zimroth, an attorney for Marc Rich, said the decision would be appealed.

The fine was imposed last June 29 because the company failed to release financial papers subpoenaed by a Federal grand jury. The company was indicted for a scheme to evade \$48 million in taxes on illicit oil-trading profits. Prosecutors say the investigation is continuing.

Federal District Judge Leonard B. Sand rejected the company's argument that it is unable to release the documents without breaking Swiss Government orders. Switzerland seized some Marc Rich papers last year to investigate whether disclosure would violate secrecy laws.

Lawrence B. Pedowitz, Assistant

United States Attorney, said that the United States and Switzerland were still negotiating access to the papers, but that there had been no progress. The judge suggested that the United States take "a positive step" by asking for the papers under an international treaty, as the Swiss have required.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

196A-1774-226

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 31 1964	
FBI - NEW YORK	

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

10.16
~~SECRET~~

TELETYPE

PRIORITY

~~SECRET~~

2/3/84

PRIORITY
NEW YORK (196A-1774) (P) (M-1)

PRIORITY
~~DIRECTOR (196B-2848)~~ 1950

BT
~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7C

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" ~~IT ITS ENTIRETY~~.

REBUCONFERENCE REGARDING CAPTIONED MATTER, DATED DECEMBER 5, 1983, AND NUMEROUS TELCALS BETWEEN BUREAU AND NEW YORK, DATED DECEMBER 6, 1983 - JANUARY 27, 1984, AND NYTEL TO BUREAU, DATED JANUARY 6, 1984.

b6
b7C

- ① - New York
1 - Supervisor M-1

MEB:sjj004V1
(2)

2-21-01
CLASSIFIED BY [REDACTED]
EXEMPTED 4.5 (c.d)
DECLASSIFY ON: X 1.6

196A-1774-227

Approved: LFL/FBV

Transmitted

117/508
118/508
119/510

Per

FEB 6 1984

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: elm

b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 6 1984	
FBI - NEW YORK	
[REDACTED] [REDACTED]	

PRIORITY
NEW YORK (196A-1774) (P) (M-1)
PRIORITY
DIRECTOR (196B-2848)
BT
~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7c

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REBUCONFERENCE REGARDING CAPTIONED MATTER, DATED DECEMBER 5, 1983, AND NUMEROUS TELCALLS BETWEEN BUREAU AND NEW YORK, DATED DECEMBER 6, 1983 - JANUARY 27, 1984, AND NYTEL TO BUREAU, DATED JANUARY 6, 1984.

~~SECRET~~

~~SECRET~~

FOR INFORMATION OF LEGATS BERN, BONN, LONDON, PARIS AND ROME,
THE PURPOSE OF THIS TELETYPE IS TO PROVIDE EACH LISTED LEGAT WITH
BACKGROUND DATA REGARDING CAPTIONED MATTER AS WELL AS INFORMATION
REGARDING [REDACTED]

[REDACTED] NO
INFORMATION IN THIS TELETYPE IS TO BE DISSEMINATED OUTSIDE THE FBI
AT THIS TIME, INASMUCH [REDACTED]

b7D
b7F
b7E

[REDACTED]
THE FOLLOWING INFORMATION MUST BE HANDLED WITH EXTREME CAUTION AS A
HIGHLY VALUABLE [REDACTED] SOURCE WILL BE IN JEOPARDY IF THE
INFORMATION IS MISHANDLED. (~~S~~) (U)

b7D
b7F

~~SECRET~~

b7D
b7F

FROM APPROXIMATELY

b7D
b7F

b7D
b7F

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SOUTHERN DISTRICT OF NEW YORK CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT. THE INDICTMENT CHARGES CAPTIONED WITH CONSPIRING TO AND CONDUCTING THEIR COMMODITIES BUSINESS THROUGH A PATTERN OF RACKETEERING INVOLVING THE SCHEMES TO DEFRAUD THEIR CUSTOMERS, THE DOE AND IRS. EACH DEFENDANT

~~SECRET~~

~~SECRET~~

IS CHARGED WITH VARIOUS MAIL AND WIRE FRAUD VIOLATIONS REGARDING THESE FRAUD SCHEMES AS WELL AS TAX EVASION. ADDITIONALLY, MARC RICH AND PINCUS GREEN ARE CHARGED WITH ILLEGAL TRADES WITH IRAN DURING THE HOSTAGE CRISES AMOUNTING TO OVER \$200 MILLION.

THE FOLLOWING INFORMATION WAS PROVIDED BY A [REDACTED] SOURCE WHO IS HIGHLY RELIABLE AND VERY SENSITIVE. INFORMATION WAS OBTAINED BY SOURCE [REDACTED] THE INFORMATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY DUE TO THE NATIONAL SECURITY ASPECTS OF SOME OF THE INFORMATION. THE INFORMATION IS HIGHLY SINGULAR AND, THEREFORE, MUST NOT BE DISSEMINATED OUTSIDE THE FBI AS SOURCE WILL BE IN JEOPARDY. (~~S~~) (U)

b7D
b7F

SOURCE IS [REDACTED]

b7D
b7F

[REDACTED] (~~S~~) (U)

SOURCE LEARNED [REDACTED]

b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED THAT

[REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

IN REGARD TO [REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

SOURCE SAID THE [REDACTED]

[REDACTED]

b7D
b7F
b7E

~~(S)~~
(U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

SOURCE WILL MAKE EVERY EFFORT TO

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

IN CONNECTION WITH [REDACTED]

[REDACTED]
[REDACTED] (~~S~~) (U)

SOURCE WILL BE [REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED]
[REDACTED] (~~S~~) (U)

PRESENTLY, IT IS [REDACTED]

b7D
b7F
b7E

[REDACTED]
[REDACTED] (~~S~~) (U)

(U)

~~SECRET~~

[REDACTED] ~~(S)~~ (U)

b7D
b7F
b7E

WHEN SPECIFIC INFORMATION IS PROVIDED AS TO [REDACTED]
[REDACTED] APPROPRIATE LEGAT WILL BE ADVISED.

ALTHOUGH NO SPECIFIC [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

b7D
b7F
b7E

MARC RICH IS DESCRIBED AS FOLLOWS: DATE OF BIRTH DECEMBER 18, 1934; PLACE OF BIRTH ANTWERP, BELGIUM; HEIGHT FIVE FEET TEN INCHES; HAIR BLACK; EYES BROWN; CITIZENSHIP - UNITED STATES - SPAIN - BOLIVIA.

PINCUS GREEN IS DESCRIBED AS FOLLOWS: DATE OF BIRTH [REDACTED]
[REDACTED] PLACE OF BIRTH [REDACTED] NEW YORK; HEIGHT FIVE FEET TEN INCHES; HAIR BROWN; EYES GREEN; CITIZENSHIP - USA [REDACTED]

b6
b7C

~~SECRET~~

~~SECRET~~

PHOTOGRAPHS OF RICH AND GREEN AND FINGERPRINTS OF GREEN WILL BE SENT UNDER SEPARATE COVER.

BUREAU IS REQUESTED TO DISSEMINATE ABOVE TO LEGATS: BERN, BONN, LONDON, PARIS, AND ROME.

LEGATS ARE REQUESTED TO COMMENT ON [REDACTED] IN COMMENTING, LEGATS ARE SPECIFICALLY REQUESTED TO ADDRESS THE FOLLOWING TOPICS [REDACTED]

b7E

1) [REDACTED]

b7E

2A) [REDACTED]

2B) [REDACTED]

~~SECRET~~

3A)

3B)

4)

5)

b7E

6) LEGATS ARE REQUESTED TO SUTEL RESPONSE TO BOTH FBIHQ AND
NEW YORK BY FEBRUARY 7, 1983. AS THIS RESPONSE IS NECESSARY BEFORE

~~SECRET~~

FBIHQ FINANCIAL CRIMES UNIT CAN MAKE APPROPRIATE RECOMMENDATIONS.

7) LEGAT BERN IS ALSO REQUESTED TO [REDACTED]

[REDACTED]

b7E

8) LEGAT PARIS IS ALSO REQUESTED TO ADDRESS RESPONSE TO THIS
TELETYPE [REDACTED]

b7E

b6
b7C

VZCZCNXCFCE

PP FO

DT NY #0117 034183Z

ZNY SSSSS

R 031725Z FEB 84

FM FBI NEW YORK (193A-1774) (P) (U-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

BT

~~SECRET~~ SECTION 1 OF 2

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA
"CLARENDON A.G."; RICO; FBM; MT; TAX EVASION; TRADING WITH THE
ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7C

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RE: CONFERENCE REGARDING CAPTIONED MATTER, DATED DECEMBER 5,
1983, AND NUMEROUS TELCALLS BETWEEN BUREAU AND NEW YORK, DATED
DECEMBER 6, 1983 - JANUARY 27, 1984, AND NYTEL TO BUREAU, DATED
JANUARY 6, 1984.

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X1

b6
b7C

193A-1774-227

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 6 1984	
FBI - NEW YORK	

mmf

~~SECRET~~

PAGE TWO OF NY 0117 ~~SECRET~~ SECTION 1 OF 2

FOR INFORMATION OF LEGATE BERLIN, BONN LONDON, PARIS AND ROMA,
THE PURPOSE OF THIS TELETYPE IS TO PROVIDE EACH LISTED LEGAT WITH
BACKGROUND DATA REGARDING CAPTIONED MATTER AS WELL AS INFORMATION
REGARDING [REDACTED]

NO

INFORMATION IN THIS TELETYPE IS TO BE DISSEMINATED OUTSIDE THE FBI
AT THIS TIME, INASMUCH [REDACTED]

b7D
b7F
b7E

THE FOLLOWING INFORMATION MUST BE HANDLED WITH EXTREME CAUTION AS A
HIGHLY VALUABLE [REDACTED] SOURCE WILL BE IN JEOPARDY IF THE
INFORMATION IS MISHANDLED. (~~S~~)U

b7D
b7E

~~SECRET~~

b7D
b7F

FROM APPROXIMATELY

b7D
b7F

b7D
b7F

ON SEPTEMBER 19, 1987, THE GRAND JURY FOR THE SOUTHERN DISTRICT
OF NEW YORK CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT. THE

~~SECRET~~

PAGE FOUR OF NY 2117 ~~SECRET~~ SECTION 1 OF 2

INDICTMENT CHARGES CAPTIONED WITH CONSPIRING TO AND CONDUCTING THEIR COMMODITIES BUSINESS THROUGH A PATTERN OF RACKETEERING INVOLVING THE SCHEMES TO DEFRAUD THEIR CUSTOMERS, THE DOE AND IRS. EACH DEFENDANT IS CHARGED WITH VARIOUS MAIL AND WIRE FRAUD VIOLATIONS REGARDING THESE FRAUD SCHEMES AS WELL AS TAX EVASION. ADDITIONALLY, MARC RICH AND PINCUS GREEN ARE CHARGED WITH ILLEGAL TRADES WITH IRAN DURING THE HOSTAGE CRISES AMOUNTING TO OVER \$200 MILLION.

THE FOLLOWING INFORMATION WAS PROVIDED BY A [REDACTED] SOURCE WHO IS HIGHLY RELIABLE AND VERY SENSITIVE. INFORMATION WAS OBTAINED BY SOURCE [REDACTED]

b7D
b7F

THE INFORMATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY DUE TO THE NATIONAL SECURITY ASPECTS OF SOME OF THE INFORMATION. THE INFORMATION IS HIGHLY SENSITIVE AND, THEREFORE, MUST NOT BE DISSEMINATED OUTSIDE THE FBI AS SOURCE WILL BE IN JEOPARDY. (~~S~~)(U)

SOURCE IS [REDACTED]

b7D
b7F

[REDACTED]

[REDACTED] (~~S~~)(U)

PAGE FIVE DE NY 0117 ~~SECRET~~ SECTION 1 OF 2

SOURCE LEARNED

b7D
b7F

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~ (U)

SOURCE ADVISED THAT

b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

PAGE SIX DE NY 0117 ~~SECRET~~ SECTION 1 OF 2

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

SOURCE ADVISED

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

IN REGARD TO

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

SOURCE SAID THE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

(S)(U)

PT

#0117

VZCZCNYQ579

PP EQ

DE NY #0118 0341233

ZNY SSSSS

R 031725Z FEB 24

FM FBI NEW YORK (193A-1774) (P) (V-1)

TO DIRECTOR FBI (193F-2843) PRIORITY

BT

~~SECRET~~ STATION 2 OF 2

b7D
b7F
b7E

(S) (U)

b6
b7C
b7D
b7F
b7E

(S) (U)

PAGE TWO 'TW NY 0110 ~~SECRET~~ SECTION 2 OF 2

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

(S)(U)

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

SOURCE WILL MAKE EVERY EFFORT TO

[REDACTED]

[REDACTED]

(S)(U)

IN CONNECTION WITH

[REDACTED]

(S)(U)

b7D
b7F
b7E

PAGE THREE DE NY 2118 ~~SECRET~~ SECTION 2 OF 2

b7D
b7F
b7E

(S) (U)

SOURCE WILL BE

b7D
b7F
b7E

(S) (U)

PRESENTLY, IT IS

b7D
b7F
b7E

(S) (U)

22X

PAGE FOUR OF NY 0118 ~~SECRET~~ SECTION 2 OF 2

WHEN SPECIFIC INFORMATION IS PROVIDED AS TO [REDACTED]

b7D
b7F
b7E

ALTHOUGH NO SPECIFIC [REDACTED]

b7D
b7F
b7E

(S) (U)

MARC RICH IS DESCRIBED AS FOLLOWS: DATE OF BIRTH DECEMBER 18, 1934; PLACE OF BIRTH ANTWERP, BELGIUM; HEIGHT FIVE FEET TEN INCHES; FAIR BLACK; EYES BROWN; CITIZENSHIP - UNITED STATES - SPAIN - BOLIVIA.

PINCUS GREEN IS DESCRIBED AS FOLLOWS: DATE OF BIRTH [REDACTED]

[REDACTED] PLACE OF BIRTH [REDACTED] NEW YORK; HEIGHT FIVE FEET TEN INCHES; FAIR BROWN; EYES GREEN; CITIZENSHIP - USA [REDACTED]

b6
b7C

PAGE FIVE DE NY 2112 ~~SECRET~~ SECTION 2 OF 2

PHOTOGRAPHS OF RICH AND GREEN AND FINGERPRINTS OF GREEN WILL BE
SENT UNDER SEPARATE COVER.

BUREAU IS REQUESTED TO DISSEMINATE ABOVE TO LEGATS: BERN,
BONN, LONDON, PARIS, AND ROME.

LEGATS ARE REQUESTED TO COMMENT ON [REDACTED] IN
COMMENTING, LEGATS ARE SPECIFICALLY REQUESTED TO ADDRESS THE
FOLLOWING TOPICS [REDACTED]
[REDACTED]

b7E

1) [REDACTED]

2A) [REDACTED]
[REDACTED]

b7E

2B) [REDACTED]
[REDACTED]

~~SECRET~~

3A)

[REDACTED]

[REDACTED]

b7E

3P)

[REDACTED]

[REDACTED]

b7E

4)

[REDACTED]

[REDACTED]

b7E

5)

[REDACTED]

[REDACTED]

b7E

BT

#0118

VZCZGNY0510

PP HQ. . .

DE NY #0119 0341833

ZNY SSSSS

R 031725Z FEB 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

PT

~~SECRET~~ SECTION 3 OF 2

6) LEGATS ARE REQUESTED TO SUTEL RESPONSE TO BOTH FBIHQ AND NEW YORK BY FEBRUARY 7, 1984. AS THIS RESPONSE IS NECESSARY BEFORE FBIHQ FINANCIAL CRIMES UNIT CAN MAKE APPROPRIATE RECOMMENDATIONS.

7) LEGAT BERN IS ALSO REQUESTED TO

b7E

FBI

TRANSMIT VIA:

☒ Teletype
☒ Facsimile
☐ _____

b6
b7C

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 2/7/84

003

FM NEW YORK (196A-1774) (P) (M-1)

TO ~~DIRECTOR (196B-2848) (P) (ROUTINE)~~ Priority 0247

ATTN: [redacted] DIVISION VI, FINANCIAL CRIMES UNIT

BT

b6
b7C

UNCLAS

MARC RICH - ^uFUGITIVE; PINCUS GREEN - FUGITIVE; [redacted]

b6
b7C

MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION;
TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

RENEW YORKTELETYPES TO DIRECTOR, JANUARY 6, 1984 AND
FEBRUARY 3, 1984.

ON [redacted]

SOURCE OBTAINED [redacted]

b6
b7C
b7D
b7E

[redacted] IS AS FOLLOWS: (S) (U)

2-21-01
CLASSIFIED BY [redacted]
REASON 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

1 - NEW YORK
1 - SUPERVISOR M-1
RVR:mmm
(2)

Card Corrected mmm

Approved: [signature]

Transmitted _____

(Number)

(Time)

Per [signature]

FEB 8 1984

b6
b7C

NEW YORK

RVR

FBI

~~SECRET~~

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO UNCLAS 196A-1774

 (~~S~~) (U) (~~S~~) (U) (~~S~~) (U) (~~S~~) (U) (~~S~~) (U) (~~S~~) (U)
7 (~~S~~) (U)

b6
b7C
b7D
b7F

b7D
b7F

b7D
b7F

b7D
b7F

b7D
b7F

Approved: _____ Transmitted _____ (Number) (Time) Per _____

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE THREE UNCLAS 196A-1774

SOURCE IS [REDACTED] HOWEVER, NO FINAL
DECISION HAS BEEN MADE. (S)(U)

b7D
b7F
b7E

ALL LEGATS SHOULD RESPOND TO FEBRUARY 3, 1984 TELETYPE
IN CASE OF [REDACTED] (S)(U)
REQUEST OF THE BUREAU

b7E

DISSEMINATE TO LEGATS, BERN, BONN, LONDON, PARIS, AND ROME,
LEGATS.

ADMINISTRATIVE:

[REDACTED] SOURCE MENTIONED ABOVE IS [REDACTED] (S)(U)
INFORMATION FROM [REDACTED] IS OF A HIGHLY SINGULAR (S)(U)
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL
POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b7D
b7E

BT

#

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

b6
b7C

SECRET

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

NY0769 0380247

PP HQ

b6
b7C

DE NY 003

P 382014Z FEB 84

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X1

FM NEW YORK (196A-1774) (P) (MF-1)

TO DIRECTOR (196B-2848) (P) PRIORITY

ATTN: [REDACTED] DIVISION VI, FINANCIAL CRIMES UNIT

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION;
TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7C

RENEW YORKTELETYPES TO DIRECTOR, JANUARY 6, 1984 AND
FEBRUARY 3, 1984.

ON [REDACTED]

SOURCE OBTAINED [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] IS AS FOLLOWS: (S)(U)

SECRET

196A-1774-228

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 1984	
FBI - NEW YORK	

[Signature]

~~SECRET~~

PAGE TWO UNCLAS 196A-1774

[REDACTED]

~~(S)~~(U)

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~(U)

[REDACTED]

[REDACTED]

b7D
b7F

[REDACTED]

~~(S)~~(U)

[REDACTED]

[REDACTED]

b7D
b7F

[REDACTED]

~~(S)~~(U)

[REDACTED]

[REDACTED]

b7D
b7F

~~(S)~~(U)

[REDACTED]

[REDACTED]

~~(S)~~(U)

b7D
b7F

J~~(S)~~(U)

~~SECRET~~

~~SECRET~~

b7D
b7F
b7E

SOURCE IS [REDACTED] IN HOWEVER, NO FINAL
DECISION HAS BEEN MADE.

ALL LEGATS SHOULD RESPOND TO FEBRUARY EN QUIR TELETYPE
IN CASE OF [REDACTED]
REQUEST OF THE BUREAU

b7E

DISSEMINATE TO LEGATS, BERN, BONN, LONDON, PARIS, AND ROME,
LEGATS.

ADMINISTRATIVE:

[REDACTED] SOURCE MENTIONED ABOVE IS [REDACTED] (~~S~~)(U)
INFORMATION FROM [REDACTED] IS OF A HIGHLY SINGULAR (~~S~~)(U)
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL
POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b7D
b7F

BT

~~SECRET~~

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

DATE: FEB 08 1984

b6
b7C

TO : DIRECTOR, FBI (196A-2848)
(ATTN. [REDACTED] ~~ECONOMIC~~ CRIMES UNIT, DIVISION 6)
~~FINANCIAL~~

FROM : ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT. MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;

b6
b7C

[REDACTED]
ET AL;
RICO FBW
MF,
TAX EVASION
TRADING WITH THE ENEMY
(OO NY)

ReNYtel to Director, 2/3/84.

Enclosed for the Bureau is one envelope containing five envelopes each containing two photographs of MARC RICH on the cover of Fortune Magazine, two photographs of MARC RICH and PINCUS GREEN on page 45 of Fortune Magazine and two photographs of the Armed Forces Fingerprint Record of PINCUS GREEN.

REQUEST OF THE BUREAU

The Bureau is requested to disseminate contents of each envelope to the following Legats: Bern, Bonn, London, Paris and Rome.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

14 - Bureau
② - New York

RVR RVR:jf
(17) (SF) M-1

96A-1774-229

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 8 1984	
FBI - NEW YORK	

IR

X AIRTEL

FEB 13 1984

TO: DIRECTOR, FBI (196-2848)

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
[REDACTED]
MARC RICH & CO. A.G.;
MARC RICH & CO. INTERNATIONAL, LTD.; aka
"Clarendon A.G.";
RICO;
FBW;
MF;
TAX EVASION;
TRADING WITH ENEMY;
(OO: NY)

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

ReButeltype to New York, 1/16/84; NY FD-515 to the
Director, 10/31/83; and NY teletype to Director, 10/20/83.

In the above referenced FD-515, New York claimed a
recovery of \$22,000,000.00. The following will explain how actions
of the Federal Bureau of Investigation (FBI) lead to the
recovery.

On 9/30/83, Assistant United States Attorney (AUSA)
[REDACTED] - Southern District of New York (SDNY) advised
that the Internal Revenue Service (IRS) declared a jeopardy
assessment on Marc Rich & Co. International, Ltd., also known as
(aka) "Clarendon A. G., in the amount of \$90,000,000.00. This
represents back taxes, penalties, and interest. As of 10/19/83,
the IRS collected \$22,000,000.00, and to date have collected in
excess of \$97,000,000.00.

b6
b7C

2 - Bureau
① - New York
1 - Supervisor (M-1)
MEB/pam
(4)

RVR

229A

FEB 13 1984
FBI - NEW YORK

R

NY 196A-1774

If it is eventually found "Clarendon" does not owe additional taxes, or a third party (a bank) has perfected a security interest in the money collected, the government would be required to return the money to its rightful owner.

The IRS can declare jeopardy assessments when it believes ultimate collection of a tax levy might become doubtful. In this case, jeopardy assessment was declared because of a pattern of evasiveness and concern "Clarendon" might become insolvent.

The collection of \$22,000,000.00 by the IRS arose out of a 51-count RICO indictment filed on 9/19/83, to which the FBI contributed substantially. The FBI investigation disclosed a scheme to defraud wherein a myraid of wire transfers were utilized by captioned to transfer offshore illegally generated oil profits on which United States taxes were not paid.

VZCZCICQ0832

PP NY

DE HQ #0061 0400421

ZNR UUUUU

P 081557Z FEB 84

FM DIRECTOR FBI

TO FBI NNNNNNNNNNNNNNNNNNNNNNNNEW YORK PRIORITY

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA
"CLARENDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH THE
ENEMY. OO: NEW YORK.

b6
b7C

REBUCAB FEBRUARY 4, 1984.

BY BERN ADVISED BY TELETYPE DATED 2/7/84 AS FOLLOWS:

ENTIRE COMMUNICATION CLASSIFIED "~~SECRET~~."

FOR THE INFORMATION OF THE BUREAU AND NEW YORK, IT IS THE
ASSESSMENT OF LEGAT (BERN) THAT IT WOULD BE [REDACTED]

b7E

[REDACTED]
[REDACTED] AS THE BUREAU AND NEW YORK ARE
AWARE, THE CLIMATE SURROUNDING [REDACTED]
EXTREMELY DELICATE AT PRESENT. [REDACTED]

196A-1774-2294

Supr

du

MR

RVR

b6
b7C

PAGE TWO DE HQ 0031 UNCLAS

[REDACTED]

b7E

LEGAT BERN BELIEVES THAT

[REDACTED]

[REDACTED]

b7E

LEGAT BERN ALSO RECOMMENDS

[REDACTED]

[REDACTED]

b7E

IT IS APPARENT FROM RECAP THAT NEITHER NEW YORK NOR THE
BUREAU ARE CONSIDERING A SCENARIO OF [REDACTED]

[REDACTED]

LEGAT BERN CONCURS WITH THIS, NOTING THAT

[REDACTED]

b7E

[REDACTED]

~~C BY C-3, DECL: OADR.~~

BT

#0061

b6
b7C

VZCZCHQ0001

PP NY

DE HQ #0032 0431841

ZNY SSSSS

P 110403Z FEB 84

FM DIRECTOR FBI

TO FBI NEW YORK PRIORITY

BT

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C,d)
DECLASSIFY ON: X 1,6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

~~SECRET~~

MARC RICH-FUGITIVE; [REDACTED] PINGUS GREEN-FUGITIVE;

b6
b7C

MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION;
TRADING WITH THE ENEMY; OO: NY

BY TELETYPE DATED 2/10/84, LEGAT PARIS ADVISED:

ALL INFORMATION CONTAINED HEREIN IS CLASSIFIED ~~SECRET~~.

REBUTEL DATED 2/4/84, PARIS AND BERN TELETYPES OF 2/7/84
AND BERN CABLE OF 2/3/84.

WITH BENEFIT OF ENTIRE TEXT OF 2/4/84 CABLE, LEGAT PARIS
BELIEVES THAT, AS WIFE LEGAT BONN, [REDACTED]

b7E

(U) 1774-229C

b6
b7C

R
RVR

PAGE TWO DE HQ 0032 ~~SECRET~~

[REDACTED]

[REDACTED]

(S) (U)

b7E

~~SECRET~~

[REDACTED]

b7E

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

IT WOULD THEREFORE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

PAGE THREE DE HQ 0032 ~~SECRET~~

b7D
b7F
b7E

[REDACTED]
[REDACTED] (S) (U)
THE INFORMANT [REDACTED]
[REDACTED]
[REDACTED] (S) (U)

b7D
b7F
b7E

LEGAT PARIS SUGGESTS THAT [REDACTED]
[REDACTED]

b7E

HOWEVER, DEFERENCE ON THE ABOVE IS BEING LEFT TO LEGAT
BERN.

PAGE FOJR DE HQ 0032 ~~SECRET~~

LEGAT PARIS ALSO NOTES THAT [REDACTED]

b7E

[REDACTED]
[REDACTED]
IF REQUESTED.

INQUIRIES CAN BE MADE

~~C BY 3-3, DECL: OADR~~

BT

#0032

RUR

PAGE TWO DE HQ 0002 ~~SECRET~~

[REDACTED] WELL MIGHT AFFECT ANY SUCH

b7E

[REDACTED]
LEGAT, PARIS, WILL SUBMIT ADDITIONAL COMMENTS ON
RECEIPT OF COMPLETE CABLE.

~~C BY C-3, DECL ON OADR~~

BT

#0002

b6
b7C

VZCZCHQ0997

PP NY

DE HQ #2126 0431807

ZNY SSSSS

P 101837Z FEB 84

FM DIRECTOR FBI

TO FBI NEW YORK PRIORITY

BT

~~SECRET~~ CORRECTED COPY

MARC RICE- FUGITIVE; ET AL; RICO; FBM; MF; TAX EVASION;

TRADING WITH THE ENEMY; OO: NY

ALL INFO HEREIN ~~SECRET~~ UNLESS NOTED.

LEGAT, ROME ADVISED BY TELETYPE DATED 2/7/84 AS FOLLOWS.

REBUTEL FEBRUARY 4, 1984.

IN RESPONSE TO REFERENCED TELETYPE;

1. IT IS ASSUMED THAT [REDACTED]

[REDACTED]

b6
b7C
b7E

2. [REDACTED]

[REDACTED] WHILE LEGAT ROME [REDACTED]

b6
b7C

FEB

RVR

PAGE TWO DE HQ Z123 ~~SECRET~~

b7D
b7F
b7E

(S)U

2B.

b7E
b7D

(S)U

3A.

b7E

3B.

4.

5.

b7E

~~C BY 184, DECI QAD?~~

BT

#0123

b6
b7C

PP NY

DE HQ #0126 0421239

ZNR UUUUU

P 101837Z FEB 84

FM DIRECTOR FBI

TO FBI NEW YORK PRIORITY

BT

UNCLAS

MARC RICH- FUGITIVE; ET AL; RICO; FBI; ME; TAX EVASION;

TRADING WITH THE ENEMY; OO: NY

LEGAT, ROME ADVISED BY TELETYPE DATED 2/7/84 AS FOLLOWS.

REBUTEL FEBRUARY 4, 1984.

IN RESPONSE TO REFERENCED TELETYPE;

1. IT IS ASSUMED THAT [REDACTED]

[REDACTED]

b6
b7C
b7E

2A. [REDACTED]

WHILE LEGAT ROME [REDACTED]

b7D
b7F
b7E

b6
b7C

RVR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

CLASSIFIED BY [REDACTED]
DECLASSIFY ON: X116

b6
b7C

(S) 1774-29
A

PAGE TWO DE HQ 0126 UNCLAS

b7D
b7F
b7E



(S)(U)

2B.

b7E
b7D

(S)(U)

3A.

b7E

3B.

4.

5.

b7E

6 BY 184, DECL OADR.

BT

#0126

~~SECRET~~

LFJ:nc

~~SECRET~~

1

On January 4, 1984, [redacted] provided the following information to Special Agents (SAs) [redacted] and [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

Source further advised that [redacted]

b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

ADMINISTRATIVE

THE ABOVE MENTIONED INFORMATION IS EXTREMELY SENSITIVE AND SINGULAR IN NATURE, ANY DISCLOSURE WOULD ENDANGER SOURCE'S LIFE.

~~SECRET~~

~~Classified By G-3~~
~~Declassify By OADR~~

DECLASSIFIED BY [redacted]
ON 2-21-01

b6
b7C

196A-1774-230

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 14 1984	
NEW YORK	
RVR	

LFJ:nc

~~SECRET~~

2

New York Indices revealed the following references:

[REDACTED]

New York File Number

[REDACTED]

[REDACTED]

New York File Number

New York File Number

[REDACTED]

[REDACTED]

Negative

b6
b7C
b3
b7E

~~SECRET~~

~~Classified By G-3~~
~~Declassify By OADR~~

Memorandum



To : ADIC, NEW YORK 196A-1774(P) Date 2/15/84

From : SA [redacted]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

Subject : MARC RICH ET AL

RICO: FBW: MP: TAX EVASION: TRADING WITH THE ENEMY
OO : NY

On 2/14/84, SA's [redacted] and [redacted]

[redacted] met with assistant United States attorneys,

[redacted] regarding

b6
b7C

captioned matter.

SA's [redacted]

provided details of the

b6
b7C
b7E

[redacted] to date.

AUSA's [redacted]

[redacted] stated that as soon as [redacted]

AUSA [redacted] advised that the status of the case is preparation for trial. He will contact SA [redacted] in the near future for assistance.

b6
b7C

AUSA [redacted]

advised that [redacted]

b6
b7C
b7E
b3

[redacted] will be filed in the near future.

No request has been made for [redacted]

FBI - NEW YORK

196A-1774-231

b6
b7C

FD-36 (Rev. 5 22-78)

FBI

10.003

TELETYPE

PRIORITY

~~SECRET~~

2/23/84

ok
pink

~~NOT TO BE
CLASSIFIED
UNLESS SHOWN
OTHERWISE~~

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (196-2848)

0037, 0084

BT ATTN: [redacted]

FINANCIAL CRIME UNIT
FUGITIVE UNIT

b6
b7C

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [redacted] MARC RICH
AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, AKA
CLARENDON A.G.; RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO BUREAU, DATED FEBRUARY 3, 1984 AND FEBRUARY 7,
1984, AND LEGAT, BONN AND LEGAT, BERN TELETYPES TO BUREAU, DATED
FEBRUARY 8, 1984.

1 - New York
1 - Supervisor M-1
RVR:gmh012V1
(2)

2-21-01

[redacted] (C9)
DECLASSIFY ON: X1,6

b6
b7C

Approved: LFL/FBV Transmitted

142/859 196A-1774-232
143/860

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

E WORD
[redacted] RVR

WP Initials: [signature]

b6
b7C

THE PURPOSE OF THIS COMMUNICATION IS TO UPDATE RECEIVING
OFFICES OF LATEST DEVELOPMENTS IN NEW YORK'S [REDACTED]

b7E
b7D

A [REDACTED] SOURCE PROVIDED THE FOLLOWING INFORMATION ON
FEBRUARY 21, 1984: ~~(S)~~ (U)

b7D
b7F

SOURCE [REDACTED]

b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

IN REGARD TO THE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

SOURCE

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

8/2/82

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

SOURCE ADVISED

[REDACTED]

[REDACTED]

[REDACTED]

(S) (U)

b7D
b7F
b7E

SOURCE EXPRESSED THE

[REDACTED]

[REDACTED]

(S) (U)

b7D
b7F
b7E

SECRET

[REDACTED]

b7D
b7F
b7E

(S) (U)

ON FEBRUARY 24, 1984, SOURCE ADVISED

[REDACTED]

b6
b7C
b7D

(S) (U)

SOURCE ADVISED THAT

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

SOURCE ADVISED THAT

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S) (U)

~~SECRET~~

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

SOURCE STATED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

[REDACTED]

b7D
b7F
b7E

~~(S)~~

BASED ON

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

b7D
b7F
b7E

REQUEST OF THE BUREAU

1.

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

2. DISSEMINATE CONTENTS OF TELETYPE TO LEGATS, BERN~~X~~ AND BORN.

3. PROVIDE THE

[REDACTED]

b7E

b7E

~~LEAD~~
LEGAT, BERN.

b7E
b7D

LEGAT, BONNS.

ADMINISTRATIVE

b6
b7C
b7D
b7F

NEW YORK CASE AGENT IS SPECIAL AGENT

SOURCE

IS SPECIAL AGENT

SOURCE IS

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE (S) (U)
AND DISCLOSURE WOULD REVEAL SOURCES IDENTITY.

SOURCE IS A HIGHLY PLACED INFORMANT, CRITICAL [REDACTED]
[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

b7D
b7F

CAUTION

EXTREMELY DANGEROUS.

THEREFORE THEY SHOULD BE CONSIDERED ARMED AND

b7E

~~C By G 3, DECL: OADR.~~

b6
b7C

~~SECRET~~

VZCZCNY0859

PP HQ

DE NY #0142 0542329

ZNY UUUUU

R 232122Z FEB 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: [REDACTED] FINANCIAL CRIME UNIT

ATTN: [REDACTED] FUGITIVE UNIT

b6
b7C

BT

UNCLAS SECTION 1 OF 2

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH
AND COMPANY A.G; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, AKA
CLARENDON A.G.; RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO BUREAU, DATED FEBRUARY 3, 1984 AND FEBRUARY 7,
1984, AND LEGAT, BONN AND LEGAT, BERN TELETYPES TO BUREAU, DATED

2-21-01
CLASSIFIED BY [REDACTED]
REASON 1.5 (cd)
DECLASSIFY ON: X 1.6

b6
b7C

~~SECRET~~

196A-1774-232

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 24 1984	
FBI-NEW YORK	

map-3

~~SECRET~~

PAGE TWO DE NY 0142 UNCLAS SECTION 1 CF 2
FEBRUARY 8, 1984.

THE PURPOSE OF THIS COMMUNICATION IS TO UPDATE RECEIVING
OFFICES OF LATEST DEVELOPMENTS IN NEW YORK'S [REDACTED]

b7E
b7D

A [REDACTED] SOURCE PROVIDED THE FOLLOWING INFORMATION ON
FEBRUARY 21, 1984: ~~(S)~~ (U)

b7D
b7F

SOURCE [REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

1-14-79

PAGE THREE DE NY 2142 UNCLAS SECTION 1 OF 2

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

IN REGARD TO THE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

PAGE FOUR DE NY 0142 UNCLAS SECTION 1 CF 2

[REDACTED]

(S)(U)

b7D
b7F
b7E

SOURCE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

SOURCE ADVISED

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

(S)(U)

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0142 UNCLAS SECTION 1 OF 2

SOURCE EXPRESSED THE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

ON FEBRUARY 24, 1984, SOURCE ADVISED

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0142 UNCLAS SECTION 1 OF 2

SOURCE ADVISED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

SOURCE STATED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

BT

#0142

~~SECRET~~

VZCZCNY0860

PP HQ

DE NY #0143 0542329

ZNY UUUUU

R 232122Z FEB 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196-2848) PRIORITY

BT

UNCLAS SECTION 2 OF 2

b7D

b7F

b7E

BASED ON

b7D

b7F

b7E

(S) (U)

REQUEST OF THE BUREAU

1.

b7D

b7F

b7E

PAGE TWO DE NY 0143 UNCLAS SECTION 2 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

2. DISSEMINATE CONTENTS OF TELETYPE TO LEGATS, BERN AND BONN.

3. PROVIDE THE
AFFAIRS WITH

b7E

LEGAT, BERN.

b7E
b7D

LEGAT, BONN. [REDACTED]

b7E

ADMINISTRATIVE

NEW YORK CASE AGENT IS SPECIAL AGENT [REDACTED] SOURCE

[REDACTED] IS SPECIAL AGENT [REDACTED] SOURCE IS [REDACTED] (S) (U)

b6
b7C
b7D
b7F

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE (S) (U)
AND DISCLOSURE WOULD REVEAL SOURCES IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT, CRITICAL [REDACTED]

b7D
b7F

[REDACTED] WHOSE IDENTITY, -IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

[REDACTED]
[REDACTED] THEREFORE THEY SHOULD BE CONSIDERED ARMED AND

b7E

EXTREMELY DANGEROUS.

~~C By G-3; DECI: OADR.~~

~~SECRET~~

PAGE FOUR DE NY 0143 UNCLAS SECTION 2 CT 2

BT

#0143

~~SECRET~~

Memorandum



To : SAC ~~II~~ (196A-1774)

Date 2/8/84

From : SA [redacted]

b6
b7C

Subject : MARC Rich - Fugitive
et al

Due to WRITER'S RESIGNATION, IT IS recommended
that this matter be REASSIGNED.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 2-21-01

b6
b7C

Re-Assign to



M-1

b6
b7C

196A-1774-233

fi

RVR

Re-Assign to



X AIRTEL

2/24/84

TO: DIRECTOR, FBI (196B-2848) (P)
(ATTN: [REDACTED] FINANCIAL CRIMES UNIT)

b6
b7C

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH - FUGITIVE;
PINCHUS GREEN - FUGITIVE;

b6
b7C

[REDACTED]
MARC RICH AND COMPANY A. G.,
MARC RICH AND COMPANY INTERNATIONAL LTD., aka
Clarendon A. G.;
RICO;
FBW;
MF;
TAX EVASION;
TRADING WITH THE ENEMY
(OO: NY)

ReNYteletype to Director, dated 2/3/84.

Enclosed for the Bureau is one package containing
five envelopes which contain:

1. Copy of indictment on 9/19/83, by SDNY, of subjects.

14 - Bureau (Encls. 1)
1 - New York

RVR
RVR:t11
(16)

1 - Supv. M-1

b6
b7C

RECEIVED
FEB 24 1984
BY [REDACTED]

196A-1774-234

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 24 1984	
FBI - NEW YORK	

R

NY 196A-1774

2. Copy of LHM explaining case suitable for dissemination by Legats to local law enforcement.

Request of the Bureau.

Disseminate envelopes to Legats Bern, Bonn, London, Paris, and Rome.

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 2/27/84

010

FM NEW YORK (196A-1774) (M-1) (P)

TO ~~DIRECTOR PRIORITY~~ (196-2848)ATTENTION:

FINANCIAL CRIMES UNIT

b6
b7C

BT

~~NEW HAVEN~~

0600

UNCLAS

MARC RICH, ET AL; RICO; FBW; MF; TAX EVASION; TRADING
 WITH THE ENEMY OO: NEW YORK.

RENYTELETYPE TO BUREAU, DATED FEBRUARY 23, 1984.

BASED ON THE FACTS THAT SA NEW HAVEN DIVISION,
 HAS PERSONALLY OBSERVED MARC RICH AND PINCUS GREEN AND CAN

THAT SA WAS THE
 CASE AGENT FOR OVER A YEAR AS COMPOSED TO SA

NEW YORK DIVISION, THE PRESENT CASE AGENT FOR FOUR WEEKS

IT IS REQUESTED THAT BUREAU
 SA

SA

SA

SAC'S NEW YORK AND NEW HAVEN CONCUR IN THIS CHANGE.

BT

① - NEW YORK
 1 - SUPERVISOR M-1
 RVR:mmm
 (2)

Card Corrected
 mmm

Approved:

Transmitted

(Number)

(Time)

Per

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY

b6
b7C

RVR

P 282100Z DEC 84

FM NEW YORK (196A-1774) (M-1) (P)

TO DIRECTOR PRIORITY (196-2645)

ATTENTION: [REDACTED] FINANCIAL CRIMES UNIT

b6
b7C

NEW HAVEN PRIORITY

BT

UNCLAS

MARC RICH, ET AL; RICO; FBM; MF; TAX EVASION; TRADING
WITH THE ENEMY OO: NEW YORK M

RENYTELETYPE TO BUREAU, DATED FEBRUARY 23, 1984.

BASED ON THE FACTS THAT SA [REDACTED] NEW HAVEN DIVISION,

HAS PERSONALLY OBSERVED MARC RICH AND PINCUS GREEN AND CAN

[REDACTED] THAT SA [REDACTED] WAS THE

CASE AGENT FOR OVER A YEAR AS COMPARED TO SA [REDACTED]

NEW YORK DIVISION, THE PRESENT CASE AGENT FOR FOUR WEEKS,

IT IS REQUESTED THAT BUREAU [REDACTED] SA [REDACTED]

[REDACTED]

[REDACTED] SA [REDACTED]

SAC'S NEW YORK AND NEW HAVEN CONCUR IN THIS CHANGE.

BT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

196-1774-235

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 28 1984	
FBI - NEW YORK	

R

b6
b7C

VZCZCHQ0682 1013041

PP NY

DE HQ #0021

ZNY SSSSS

P 090504Z FEB 84

FM DIRECTOR FBI

TO FBI NEW YORK

BT

~~SECRET~~

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C,d)
DECLASSIFY ON: X 1.6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH AND COMPANY; ^{A.G.} MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION;
TRADING WITH THE ENEMY; (OO: NY).

b6
b7C

BY TELETYPE DATED 2/3/84 LEGAT BONN ADVISED:
REBUCAB FEBRUARY 4, 1984, RELAYING NYTEL FEBRUARY 3, 1984.
THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.
REBUCAB NOT RECEIVED AT BONN UNTIL CLOSE OF BUSINESS
FEBRUARY 7, 1984, MAKING RESPONSE ON SAME DAY IMPOSSIBLE.

IN GENERAL, (BONN) [REDACTED]

b7D
b7F
b7E

~~mm~~

[REDACTED]

Supp
For info.

(S) (U)
196-1774-236

b6
b7C

RVR

~~SECRET~~

PAGE TWO DE HQ 2021 ~~SECRET~~

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

NEW YORK MUST REALIZE, HOWEVER, [REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

BONN APPRECIATES NEW YORK'S [REDACTED]

[REDACTED]

b7E

[REDACTED] (~~S~~) (U)

GIVEN THE ABOVE, THE ANSWERS TO POINTS 2A, 2B, AND 5 BECOME APPARENT. [REDACTED]

[REDACTED]

b7E

[REDACTED] THIS SIMPLY CANNOT BE

DONE AT THE LAST MINUTE. HOWEVER, IT WOULD NOT BE NECESSARY TO

[REDACTED]

PAGE THREE DE HQ 0721 ~~SECRET~~

b7E
b7D

IN ADDITION, IT SHOULD BE MENTIONED THAT ALTHOUGH LEGAT

b7E
b7D

b7E

OBVIOUSLY, [REDACTED]

b7E

PAGE FOUR DE HQ 0021 ~~SECRET~~

b7E

LEGAT BELIEVES THAT FOR

b7D
b7F
b7E

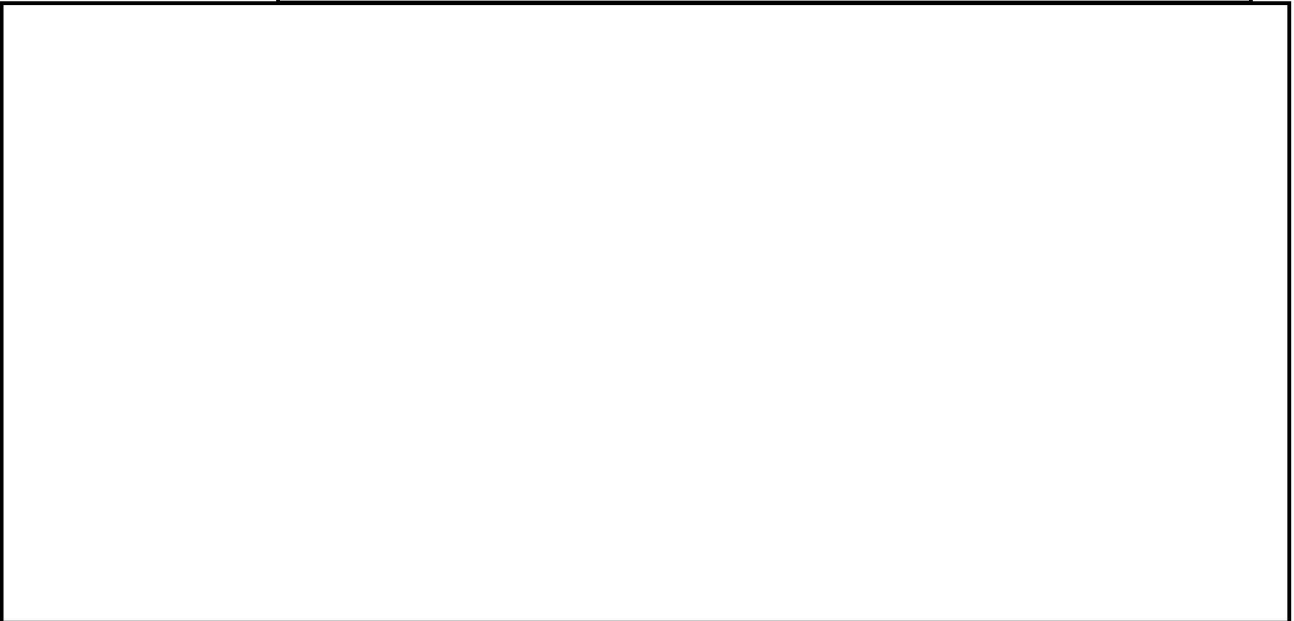
(S) (U)

IN THE

b7E



PAGE FIVE DE HQ 0021 ~~SECRET~~

NEW YORK



b7E

NEW YORK

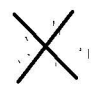


b7E

~~C BY G3, DESL OADR.~~

BT

H#0021



RVR

RVR:fmp

1

NY 196A-1774

The following investigation was conducted on February 16, 1984, by Special Agent (SA) [redacted] All records obtained in the investigation were reviewed by SA [redacted] and SA [redacted]

b6
b7C
b7E

[redacted] MARC RICH.

Regarding the [redacted]
[redacted] testified before the Grand Jury [redacted]

b6
b7C
b3

[redacted]

b7E

No other [redacted] was found.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196A-1774-237

SEARCHED	INDEXED
SERIALIZED	FILED
MAR - 21	
FBI - NEW YORK	
RVL	

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

New York, New York

February 24, 1984

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

Mark Rich - Fugitive;
Pincus Green - Fugitive;

b6
b7C

[REDACTED]
Marc Rich and Company, A.G.;
Mark Rich and Company International, Ltd.,
aka Clarendon A.G.;
Racketeer Influenced and
Corrupt Organization;
Income Tax Evasion;
Mail Fraud;
Wire Fraud;
Trading with the enemy;

On September 19, 1983, a Federal Grand Jury in New York, New York, returned a 51 count indictment against Marc Rich, Pincus Green, Clyde Meltzer, Marc Rich and Company A.G. (AG) and Marc Rich and Company International, Ltd., also known as (aka) Clarendon Ltd. (International), for violating the Racketeer Influence and Corrupt Organization statute (RICO). The pattern of racketeering included oil trading with Iran during the hostage crisis, evasion of part of International's 1980 and 1981 Federal Income Tax liability and use of interstate wire facilities and the United States Mail Service to defraud the Internal Revenue Service, the Department of Energy and the Office of Foreign Assets Control of the Department of the Treasury.

Marc Rich and Pincus Green are United States citizens who in 1974 formed Marc Rich and Company A.G. AG is a Swiss corporation which engages in the world wide business of trading commodities including crude oil. AG trades an annual volume of ten billion dollars, sixty percent of which represents oil trades. AG has a wholly-owned subsidiary, Marc Rich and Company International which has a branch office in the United States named Marc Rich and Company International. Until the Summer of 1983 Marc Rich and Pincus Green ran the oil trading activities of A.G. and International from International's office in New York City, New York.

196B-1774-238

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 24 1984	
FBI - NEW YORK	

5 - Bureau This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

RVR:sjj
(7) RVR

Mark Rich - Fugitive;
Et Al;

The subjects are charged with concealing in excess of one hundred million dollars in taxable income from crude oil deals of International by diverting the income through sham transactions to AG a foreign corporation which does not file United States income tax returns. As a result of this concealment the defendants are charged with deliberately understating International's taxable income in excess of 48 million dollars. The investigation is being continued by the Internal Revenue Service (IRS) with a possibility of a superseding indictment raising these figures from 100 million to 200 million and 48 million to 100 million.

The subjects are also charged with purchasing approximately 6,250,000.00 barrels of crude and fuel oil from the National Iranian Oil Company, an entity of the Government of Iran. The oil purchases which exceeded \$200,000,000.00 were all made after the November 4, 1979, seizure of the American Embassy in Teheran and after it had been declared illegal for American citizens to trade with Iran. Marc Rich and Pincus Green were American citizens at the time. In these deals United States banks were unwittingly used by the subjects to transfer over 200 million United States dollars out of the United States to the National Iranian Oil Company to pay for the crude oil purchased by AG. At the time there were tight restrictions against the transfer of any funds to Iran by American citizens or United States banks.

The specifics of the charges are that International purchased barrels of oil of which the retail price was controlled by the Department of Energy. These barrels were of oil produced in the U.S. International then resold these barrels of oil to numerous oil resellers. During this resale process the oil barrels were certified as being oil produced in foreign countries and thus not subject to any resale price control by the Department of Energy. International then repurchased the same oil from these resellers and was able to sell the oil at a much higher price than previously allowed. International reaped huge illegal profits from the scheme.

Mark Rich - Fugitive;
Et Al;

Eventually the subjects recognized that having International earn the huge illegal profits by selling the falsely certified uncontrolled barrels, meant that International would pay a large amount of Federal income tax on the illegal profits. The subjects devised a scheme whereby third party oil resellers such as Clyde Meltzer of Listo Petroleum in Houston, Texas, and West Texas Marketing in Abilene, Texas, would ostensibly sell the falsely certified uncontrolled barrels to International at the high market price. In fact it was secretly agreed that the huge profits created by the difference between the control price and the high market price actually belonged to International and would be recorded on the books of Listo and West Texas Marketing where they were referred to as profit pots. The subjects then set up sham oil transactions in which Listo Petroleum and West Texas Marketing would lose predetermined amounts of money to AG and its foreign subsidiaries, thereby moving International's illegal profits off shore to foreign corporations including AG that paid no Federal income tax. In addition, as part of the scheme the subjects arranged more than \$33,000,000.00 in fraudulent deductions for the defendant International by fabricating transactions and creating false invoices between AG and International ostensibly relating to offshore oil deals between AG and Charter Oil Company, Bahamas, and between International and Rescor, an offshore company.

Marc Rich age 49, formerly of Manhattan, New York, and Long Beach, New York, and Pincus Green age 49, formerly of Brooklyn, New York, have apparently fled the U.S. and are presently residing in Zug, Switzerland. Clyde Meltzer age 38 is presently a resident of New York. Information has been received that Marc Rich has sought to renounce his American citizenship in favor of Spanish citizenship.

Trial is set for March, 1984, at this point.

Mark Rich - Fugitive;
Et Al;

The following is a summary of charges:

<u>Defendant</u>	<u>Counts and Violation</u>	<u>Maximum penalties per count</u>
Marc Rich	1, Racketeering Conspiracy	20 years and \$25,000.00 fine and RICO forfeitures
	2, Racketeering	20 years and \$25,000.00 fine and RICO forfeitures
	3 and 4, Tax evasion	5 years and \$10,000.00 fine
	5 to 43, Mail and wire fraud	5 years and \$1,000.00 fine
	44 to 51, Trading with enemy	10 years and \$50,000.00 fine
Pincus Green	1, Racketeering Conspiracy	20 years and \$25,000.00 fine and RICO forfeitures
	2, Racketeering	20 years and \$25,000.00 fine and RICO forfeitures
	3 and 4, Tax evasion	5 years and \$10,000.00 fine
	5 to 43, Mail and wire fraud	5 years and \$1,000.00 fine
	44 to 51, Trading with enemy	10 years and \$50,000.00 fine

Mark Rich - Fugitive;
Et Al;

Clyde Meltzer	1, Racketeering Conspiracy	20 years and \$25,000.00 fine and RICO forfeitures
	2, Racketeering	20 years and \$25,000.00 fine and RICO forfeitures
	3 and 4, Tax evasion	5 years and \$10,000.00 fine
	11 to 28, mail and wire fraud	10 years and \$50,000.00 fine

Marc Rich and Company AG	1, Racketeering Conspiracy	\$25,000.00 fine and RICO forfeitures
	2, Racketeering	\$25,000.00 fine and RICO forfeitures
	5 through 43, mail and wire fraud	\$1,000.00 fine

Marc Rich and Company International Ltd.	1, Racketeering Conspiracy	\$25,000.00 fine and RICO forfeitures
	2, Racketeering	\$25,000.00 fine and RICO forfeitures
	3 and 4, Tax evasion	\$10,000.00 fine
	5 through 43, Mail and wire fraud	\$1,000.00 fine

b6
b7C

SECRET

VZCZCHQ0699 0592128

OO NY

E HQ #0104

ZNY CCC3C

O 281857Z FEB 84

FM DIRECTOR FBI

TO FBI NEW YORK

BT

~~CONFIDENTIAL~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AN COMPANY A.G.; MARC RICH AN COMPANY INTERNATIONAL,
LIMITED, AKA CLAREN ON A.G.; RICO; FBW; MF; TAX EVASION; TRA ING
WITH THE ENEMY (OO: NY).

BY TEL DATED 2/28/84 LEGAT BERN A VICES AS FOLLOWS:
THIS COMMUNICATION IS "UNCLASSIFIED", EXCEPT WHERE OTHERWISE
INDICATED.

REBUCAB FEBRUARY 24, 1984, RELAYING NYTEL FEBRUARY 24, 1984.

ON FEBRUARY 28, 1984, LEGAT [REDACTED]

b6
b7C
b7D
b7E

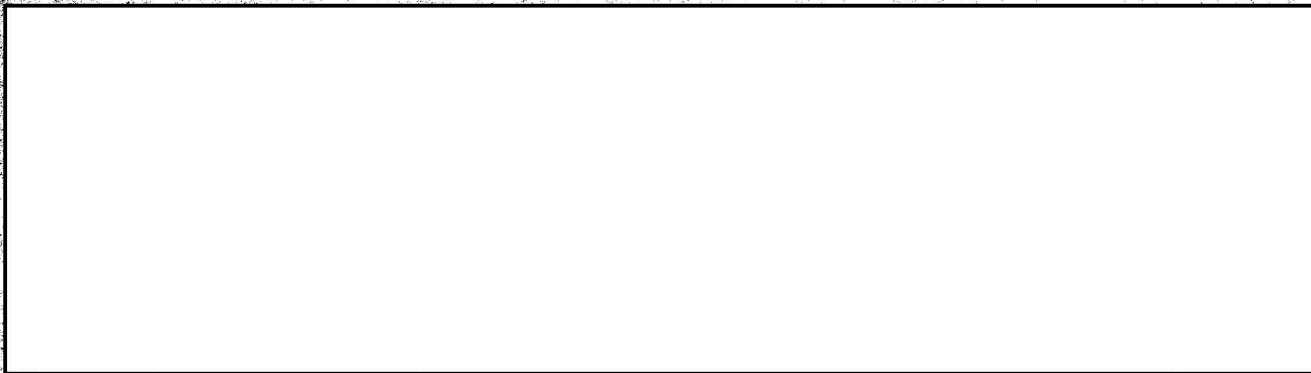
SECRET

b6
b7C

196A-1774-289
Q M- [REDACTED]
RUP

~~SECRET~~

PAGE TWO E HQ 0104 ~~CONFIDENTIAL~~



b6
b7C
b7D
b7E



b6
b7C
b7D
b7E



~~DC~~ (S) (U)

NOT ONLY WOULD MENTION OF



WHICH ARE UNCLASSIFIED,



b7D
b7F
b7E



~~DC~~ (S) (U)

~~SECRET~~

~~SECRET~~

PAGE THREE. E HQ 0104 ~~CONFIDENTIAL~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (S) (U)

NEW YORK

[REDACTED]

LEGAT IS PLANNING

[REDACTED]

b6
b7C
b7D
b7E

[REDACTED]

[REDACTED]

HAVE BEEN FURNISHED TO

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

[REDACTED]

IS CONCERNED, HOWEVER,

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

[REDACTED]

~~SECRET~~

~~SECRET~~

PAGE FOUR DE HQ 0104 C ~~CONFIDENTIAL~~

[REDACTED] WHICH MIGHT BE TOO LATE.

b6
b7C
b7D
b7E

FACTS OF THE CASE, ETC.

THIS TELEX SHOULD BE SENT TODAY, FEBRUARY 28, 1984, IF AT ALL POSSIBLE.

REQUEST OF THE BUREAU -

(1)

b7E

(2) FBIHQ REQUESTED TO RETRANSMIT TO NY (196A-1774).

~~C BY 239, ECL: OADR.~~

BT

#0104

~~SECRET~~

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

b6
b7C

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☒ ~~SECRET~~
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 2/28/84

002

FM ADIC, NEW YORK (196A-1774) (M-1) (P)

TO DIRECTOR, FBI (196-2848)

2010Z

ATTENTION: [redacted] FINANCIAL CRIMES UNIT

BT

b6
b7C

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE, ET AL;
RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY OO:
NEW YORK.

RENYTELETYPES TO BUREAU, DATED FEBRUARY 3, 1984 AND
FEBRUARY 23, 1984.

ON FEBRUARY 27, 1984, [redacted] SOURCE [redacted]

b7D
b7F

(S) (U)

b7D
b7F

- 1 - NEW YORK
- 1 - SUPERVISOR M-1

RVR
RVR:mmm
(2)

Approved: [signature]

Transmitted

(Number)

(Time)

Ref

2-22-01
CLASSIFIED BY [redacted]

REASON: 1.5 (CD)
DECLASSIFY ON: X16

b6
b7C

RVR

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE ~~SECRET~~ 196-1774

SOURCE TELEPHONICALLY CONTACTED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)~~X~~ (U)

b7D
b7F
b7E

REQUEST OF THE BUREAU:

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS
BERN AND BONN.

USE EXTREME CAUTION IN DISSEMINATING INFORMATION
TO INDIVIDUAL OUTSIDE THE FEDERAL BUREAU OF INVESTIGATION.

ADMINISTRATIVE:

SOURCE IN [REDACTED]

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM SOURCE IS OF A HIGHLY SINGULAR NATURE

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~
~~CONFIDENTIAL~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE ~~SECRET~~ 196-1774

AND DISCLOSURE COULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL

TO [REDACTED] WHOSE IDENTITY, IF (U)

REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE
AND FAMILY.

b7D
b7F
b7E

[REDACTED] SHOULD

BE CONSIDERED ARMED AND DANGEROUS.

~~C BY C-3, DECL: OADR.~~

BT

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

c. X

b6
b7C

NYO 250 0602010Z

PP HQ

DE NY 002

P 292000Z FEB 84

FM ADIC, NEW YORK (196A AQUURL KM-1) (P)

TO DIRECTOR, FBI (196-2848)

ATTENTION: [REDACTED] FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~

MARC RICH A FUGITIVE; PINCUS GREEN - FUGITIVE N ET AL;
RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY OO:
NEW YORK.

RENYTELETYPES TO BUREAU, DATED FEBRUARY 3, 1984 AND
FEBRUARY 23, 1984.

ON FEBRUARY 27, 1984, [REDACTED] SOURCE [REDACTED]

b7D
b7F

(S) (U)

2-22-01
CLASSIFIED BY: [REDACTED]

15 (CD)
COPY ONLY 16

b6
b7C

~~SECRET~~

196A-1774-240
yl yl

PAGE TWO ~~SECRET~~ 196-1774

SOURCE TELEPHONICALLY CONTACTED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

REQUEST OF THE BUREAU:

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS
BERN AND BONN.

USE EXTREME CAUTION IN DISSEMINATING INFORMATION
TO INDIVIDUAL OUTSIDE THE FEDERAL BUREAU OF INVESTIGATION M
ADMINISTRATIVE:

SOURCE IN [REDACTED]

(~~S~~) (U)

b7D
b7F

INFORMATION FROM SOURCE IS OF A HIGHLY SINGULAR NATURE

~~SECRET~~

PAGE THREE ~~SECRET~~ 196-1774

AND DISCLOSURE COULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE
AND FAMILY.

b7D
b7F
b7E

[REDACTED]
BE CONSIDERED ARMED AND DANGEROUS.

~~C BY G-3, DECL: OADR.~~

BT

~~SECRET~~
196-1774

10-99

FBI

TELETYPE

IMMEDIATE

UNCLAS

2/29/34

RECEIVED
FEB 22 2001 BY [redacted]

b6
b7C

IMMEDIATE

NEW YORK (196A-1774) () (P) () (M-1)

IMMEDIATE

DIRECTOR FBI (196-2848)

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE, ET AL; RICO; FRAUD BY WIRE; MAIL FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

REFERENCE NEW YORK TELETYPES, DATED FEBRUARY 3, 1934, AND FEBRUARY 23, 1934.

FOR INFORMATION OF THE BUREAU AND LEGAT ROMA, NEW YORK SPECIAL AGENT (SA) [redacted]

b6
b7C
b7E

NEW HAVEN SA [redacted]

196A-1774-241
yd yd

1 - New York
1 - Supervisor M-1
WMM:mc060V1
(2)

0033
EY

[redacted]

RVR

b6
b7C

Approved: [signature]

Transmitted

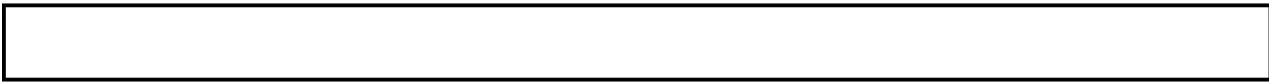
148/284

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials.

elm



b6
b7C
b7E

BUREAU IS REQUESTED TO DISSEMINATE THE ABOVE INFORMATION TO
LEGAT BONN.

VZCZCNY0284

00 HQ

DE NY #0148 0602355

ZNY UUUUC

R 022225Z MAR 84

FM FBI NEW YORK (196A-1774) (P) () (M-1)

TO DIRECTOR FBI (196-2848) IMMEDIATE

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE, ET AL; RICO; FRAUD BY
WIRE; MAIL FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OFFICE OF
ORIGIN: NEW YORK.

REFERENCE NEW YORK TELETYPES, DATED FEBRUARY 3, 1984, AND
FEBRUARY 23, 1984.

FOR INFORMATION OF THE BUREAU AND LEGAT BONN, NEW YORK SPECIAL
AGENT (SA) [REDACTED]

b6
b7C
b7E

NEW HAVEN SA [REDACTED]

196A-1774-241
Jed Jed

P

PAGE TWO DE NY 0148 UNCLAS

b6
b7C
b7E

BUREAU IS REQUESTED TO DISSEMINATE THE ABOVE INFORMATION TO
LEGAT BONN.

BT

#0148

VZCZCH00736

RR NH NY

DE HQ #0211 0610326

ZNR UUUUU

R 292230Z FEB 84

FM DIRECTOR FBI (196-2318)

TO FBI NEW YORK (196A-1771) (M-1) ROUTINE

FBI NEW HAVEN ROUTINE

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GRUPE - FUGITIVE; [REDACTED]

b6
b7C

[REDACTED] DBA MARC RICH AND COMPANY; ET AL; FBI; MF; TAX EVASION;

TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO THE DIRECTOR, DATED 2/23/84.

NEW YORK'S REQUEST FOR SA [REDACTED] NEW YORK DIVISION,

b6
b7C
b7E

AND SA [REDACTED] NEW HAVEN DIVISION, [REDACTED]

[REDACTED]

IS APPROVED.

BT

#0211

b6
b7C

RUR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

FBI

10.76

TELETYPE

PRIORITY

UNCLAS EFTO

3/1/84

PRIORITY
NEW YORK (196A-1774) (P) (M-1)
PRIORITY
DIRECTOR FBI (196B-2848)

b6
b7c

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT, DIVISION VI
BT
UNCLAS EFTO

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FRAUD BY WIRE;
MAIL FRAUD; RICO; TAX EVASION; TRADING WITH THE ENEMY; OO: NEW
YORK.

RENYTEL TO BUREAU, DATE FEBRUARY 29, 1984, AND TELCAL BETWEEN
NEW YORK AND LEGAT, BONN, DATED MARCH 1, 1984.

FOR INFORMATION OF LEGAT, BONN, NEW YORK SPECIAL AGENT [REDACTED]
[REDACTED] WAS BORN ON [REDACTED]
NEW HAVEN SPECIAL AGENT [REDACTED] WAS BORN ON [REDACTED]

b6
b7c

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7c

1 - New York
1 - Supervisor M-1

WMM:sjj054V1
(2)

196A-1774-243

Approved: _____ Transmitted _____

MAR 5 1984
Per [REDACTED]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: _____

b6
b7c

NEW YORK WILL KEEP BUREAU AND LEGAT, BONN ADVISED OF DEVELOPMENTS.

BUREAU IS REQUESTED TO TRANSMIT ABOVE TO LEGAT, BONN.

VZCZCNYO406

PP HQ

DE NY #0101 0621426

ZNR EEEEE

R 021345Z MAR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT, DIVISION VI

BT

b6
b7C

UNCLAS E F T O

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FRAUD BY WIRE;
MAIL FRAUD; RICO; TAX EVASION; TRADING WITH THE ENEMY; OO: NEW
YORK.

RENYTEL TO BUREAU, DATE FEBRUARY 29, -1984, -AND TELCAL BETWEEN
NEW YORK AND LEGAT, BONN, DATED MARCH 1, -1984.

FOR INFORMATION OF LEGAT, BONN, -NEW YORK SPECIAL AGENT [REDACTED]

b6
b7C

[REDACTED] WAS BORN ON [REDACTED]

NEW HAVEN SPECIAL AGENT [REDACTED] WAS BORN ON [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

4 2
MAR 5 1984
R

PAGE TWO DE NY 0101 UNCLAS E F T O

[REDACTED]
b6
b7c

NEW YORK WILL KEEP BUREAU AND LEGAT, BONN ADVISED OF
DEVELOPMENTS.

BURFAU IS REQUESTED TO TRANSMIT ABOVE TO LEGAT, BONN.

BT

#0101

TO: DIRECTOR, FBI

FROM: SAC
SUBJECT: XXXX ADIC, New York

MARC RICH-FUGITIVE

PINCUS GREEN-FUGITIVE

Marc Rich

& Co.A.G.; Marc Rich &
Co. International, Ltd.
aka Clarendon A.G.

RICO-FBW-MF-TAX EVASION-
TRADING WITH THE ENEMY OO:NY

196-2848

Bureau File Number

196A-1774

Field Office File Number

M-1

Squad or RA Number

- ☒ - X If a joint FBI/DEA (or other Federal Agency **) operation.
☐ - X If case involves corruption of a public official (Federal, State or Local).

Date 2/20/84

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

15. Show Money Rating Usage

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	17. Surveill. Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)		Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)		Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
FBI Arrests -		A	B	C					
FBI Locates -									
Number of Subjects of FBI Arrests Who Physically Resisted -									
Number of Subjects of FBI Arrests Who Were Armed -									
Criminal Summonses -									
Subpoenas Served -									
C. Release of Hostages: (Number of Hostages Released)					E. Civil Matters				
Hostages Held By Terrorists - ; All Other Hostage Situations -					Amount of Suit		Government Defendant		Government Plaintiff
					Settlement or Award				
									Enter AFA Payment Here

F. Final Judicial Process: Judicial District (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name -		District	State	Subject's Description Code *								
<input type="checkbox"/> Pretrial Diversion	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony	Conviction			In-Jail Term		Suspended		Probation		Fine
<input type="checkbox"/> Dismissal		Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
<input type="checkbox"/> Acquittal												

Subject 2 - Name -		Subject's Description Code *										
<input type="checkbox"/> Pretrial Diversion	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony	Conviction			In-Jail Term		Suspended		Probation		Fine
<input type="checkbox"/> Dismissal		Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
<input type="checkbox"/> Acquittal												

Subject 3 - Name -		Subject's Description Code *										
<input type="checkbox"/> Pretrial Diversion	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony	Conviction			In-Jail Term		Suspended		Probation		Fine
<input type="checkbox"/> Dismissal		Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		
<input type="checkbox"/> Acquittal												

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: Pursuant to 8/5/83

b3

Case involves a joint investigation between FBI, IRS, and U.S. Customs.
(1-1au) (1-66-8492) (1-Supv. M-1) (1-196-1774)

2 - Bureau
2 - Field Office

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

MAR 5 1984

FBI-NEW YORK

FBI/DOJ

b6
b7C

New York, New York

MAR 5 1984

MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE
[REDACTED]

b6
b7C

MARC RICH AND COMPANY A.G.
MARC RICH AND COMPANY INTERNATIONAL LTD.
also known as CLARENDON A.G.
RACKETEER INFLUENCED AND CORRUPT
ORGANIZATIONS
FRAUD BY WIRE
MAIL FRAUD
TAX EVASION
TRADING WITH THE ENEMY

b6
b7C

Captioned investigation was initiated by the
Federal Bureau of Investigation (FBI) during July 1981.

[REDACTED]
provided information to the FBI that [REDACTED]
[REDACTED]

b6
b7C
b7D

This document contains neither recommendations nor conclusions
of the FBI. It is the property of the FBI and is loaned to
your agency. It and its contents are not to be distributed
outside your agency.

196A-1774-245

196A

Marc Rich

This information was provided by the FBI to the United States Attorney's Office, Southern District of New York and a joint investigation was commenced in the fall of 1981 by the FBI, the Internal Revenue Service and the United States Customs Service.

During the course of the investigation, a Grand Jury subpoena was served at [redacted] by the FBI agents.

The subpoena called for [redacted]

[redacted] subpoena and [redacted]

[redacted] Subsequently, on August 5, 1983, Judge Leonard Sand, U.S. District Court for the Southern District of New York, [redacted]

[redacted] As of this date, the [redacted]

b3

RVR

XXX AIRTEL

MAR 5 1984

TO: DIRECTOR, FBI (196-2848)
(ATTN: [REDACTED] FINANCIAL CRIMES UNIT)
FROM: ADIC, NEW YORK (196A-1774) (U-1) (P)
SUBJECT: MARC RICH
ET AL
OO:NY

b6
b7C

Regarding teletype from Director to New York,
1/16/84, enclosed for the Bureau are the original and three
copies of an LHM containing justification for New York's
[REDACTED] Also included are
two FD-515's listing the [REDACTED]

b3

3-Bureau (encl. 6)
1-New York

RR:jjc
(5) *[Signature]*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196A-1774-246

[Signature]

b6
b7C

FBI

10.2

TELETYPE

PRIORITY

~~SECRET~~

3/5/84

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (196-2848) 20152

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ETAL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO DIRECTOR, DATED FEBRUARY 3, 1984, AND FEBRUARY 23,
1984.

ON MARCH 2, 1984, [REDACTED] SOURCE WAS CONTACTED BY [REDACTED]

b6
b7C
b7D
b7E
(U)

- 1 - New York
- 1 - Supervisor M-1

RVR:sjj072V1
(2)

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C.D.)
DECLASSIFY ON: 1,6

b6
b7C

Approved: [Signature]

Transmitted

107/739

Per [Signature]

196A-1774-247

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM [REDACTED]

b6
b7C

WP Initials: clm

[REDACTED]

~~(S)~~ (U)

b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

AS NOTED IN PREVIOUS TELETYPES.

[REDACTED]

b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b7E

SHOULD BE CONSIDERED ARMED AND DANGEROUS.

FBIHQ IS REQUESTED TO DISSEMINATE TO LEGATS, BERN AND BONN.

ADMINISTRATIVE

SOURCE IS [REDACTED]

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE ~~(S)~~ (U)
AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT [REDACTED]
[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

~~CONFIDENTIAL~~

b6
b7C

VZCZCNY0603

PP HQ

DE NY #0170 0660230

ZNY SSSSS

R 052426Z MAR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (193-2848) PRIORITY

BT

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

2-22-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ETAL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO DIRECTOR, DATED FEBRUARY 3, 1984. AND FEBRUARY 23,
1984.

b6
b7C
b7D
b7F

ON MARCH 2, 1984, [REDACTED] SOURCE WAS CONTACTED BY [REDACTED]

[REDACTED]

(S) (U)

196A-1774-247

h h
MAR 7 1984
10

~~SECRET~~

PAGE TWO DE NY 0170 ~~SECRET~~

b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

AS NOTED IN PREVIOUS TELETYPES, [REDACTED]

b7E

~~(S)~~ (U)

b7E

SHOULD BE CONSIDERED ARMED AND DANGEROUS.

PAGE THREE DE NY 0170 ~~SECRET~~

FBIHQ IS REQUESTED TO DISSEMINATE TO LEGATS, BERN AND BONN.

ADMINISTRATIVE

SOURCE IS [REDACTED]

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE ~~(S)~~ (U)

AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT [REDACTED]

[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

BT

#0170

b6
b7C

VZCZCNY0739

PP HQ

DE NY #0107 0671909

ZNY SSSSS

R 071744Z MAR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196-2848) PRIORITY

BT

~~SECRET~~

~~THIS IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

~~2-22-01
CLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

[REDACTED]

b6
b7C

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ETAL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO DIRECTOR, DATED FEBRUARY 3, 1984, AND FEBRUARY 23,
1984.

ON MARCH 2, -1984, [REDACTED] SOURCE WAS CONTACTED BY [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

(S) (U)

b7D
b7F

b6
b7C
b7D
b7F
b7E

(S) (U)

AS NOTED IN PREVIOUS TELETYPES,

b7E

(S) (U)

b7E

SHOULD BE CONSIDERED ARMED AND DANGEROUS.

~~SECRET~~

PAGE THREE DE NY 0107 ~~SECRET~~

FBIHQ IS REQUESTED TO DISSEMINATE TO LEGATS, BERN AND BONN.

ADMINISTRATIVE

SOURCE IS

[REDACTED]

~~(S)~~ (U)

b7D

b7F

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE ~~(S)~~ (U)

AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT [REDACTED]

[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO

PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

BT

#0107

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ Airtel _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date

FEB 17 1984

TO: ADIC, NEW YORK (196A-1774)(M-1)

FROM: SAC, HOUSTON (196A-881)(RUC)

MARC RICH - FUGITIVE;
 PINCUS GREEN - FUGITIVE;
 ET AL
 RICO; FBW; MF; TAX EVASION
 OO: NY

Enclosed for New York are copies of three Grand Jury Subpoenas which were facsimilied to Houston for service. Subpoenas service for each was accepted on 1/13/84, by [redacted]

[redacted]

b6
 b7C
 b3

Certification of service appears on reverse side of each subpoena.

① - New York (Enc. 3)
 1 - Houston

AMK:Jes
 (3)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-22-01 BY [redacted]

b6
 b7C

Approved: DB

Transmitted _____

(Number)

(Time)

Per 196A-1774-248

b6
 b7C

RYR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

b6
b7C

TO

[redacted]

b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York in and for the said Southern District of New York, on the [redacted] day of [redacted] at [redacted] o'clock in the [redacted] noon, to testify and give evidence in regard to an alleged violation of Section

b3

Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. January 9, 1984.

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York

Raymond T. C. [unclear]
Clerk

Note: Report at Room 1401. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 1401, upon each day on which you attend Court as a witness.

767

Assistant

[redacted]

Room

[redacted]

b6
b7C

U.S. 5-10-77 408-7701

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

Received this Subpoena on 1/10/84, And
on 1/13/84, I served it on

b6
b7C
b3

RECEIVED
FILED
JAN 22 2001 BY [REDACTED]

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO [REDACTED]

b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED] at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in regard to an alleged violation of Section [REDACTED]

b3

Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. January 9, 1984 .

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York

Reginald T. ...
Clerk

Note: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 1401, upon each day on which you attend Court as a witness.



767

Assistant [REDACTED]

Room [REDACTED]

b6
b7C

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007

Received the subpoena on 1/10/84, And
on 1/13/84, I send it on 


b6
b7C
b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

b6
b7C

TO [REDACTED]

b6
b7C
b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED] at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in regard to an alleged violation of Section

b3

Title 26, United States Code, Section 7201
Title 18, United States Code, Section 371

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y., January 9, 1984.

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York

Raymond J. ...
Clerk

Note: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

767

Assistant [REDACTED]

Room [REDACTED]

b6
b7C

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLACE
NEW YORK, NEW YORK 10007

Received this subpoena on 1/16/84,
and on 1/13/84, I served it on

b6
b7C
b3

Airtel

FEB 17 1984

TO: ADIC, NEW YORK (196A-1774)(M-1)

FROM: SAC, HOUSTON (196A-881)(RUC)

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL
RICO; FBW; MF; TAX EVASION
OO: NY

Enclosed for New York are copies of three Grand Jury Subpoenas which were facsimilied to Houston for service. Subpoenas service for each was accepted on 1/13/84, by [REDACTED]

b6
b7C
b3

Certification of service appears on reverse side of each subpoena.

- ② - New York (Enc. 3)
1 - Houston

AMK:Jes
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196A-1774-113

R

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

ADMINISTRATIVE: [REDACTED] (S) (U)

Information from this source is of a highly singular nature and disclosure would reveal source's identity. [REDACTED]

b7D
b7F

Source is a highly placed [REDACTED] informant critical to [REDACTED], whose identity, if revealed, will positively lead to physical danger to source and his family. [REDACTED]

222-01
CLASSIFIED BY: [REDACTED]
EX-15 (C)
DECLASSIFY ON: X

b6
b7C

~~SECRET~~

b6
b7C

10.65

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

3/13/84

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

~~2/22/01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C,D)
EXEMPTED ONLY 1/6~~

b6
b7C

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

~~DIRECTOR FB (196B-2848)~~ **0195**

ATTN: [REDACTED]

FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FBW; MAIL
FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO BUREAU, DATED JANUARY 31, 1984 AND FEBRUARY 23,
1984, AND NUMEROUS TELCALs BETWEEN FBIHQ AND NEW YORK.

b7D
b7E

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

[REDACTED] SOURCE ADVISED ON MARCH 9, 1984, [REDACTED] **(S)**

(U)

1 - New York
1 - Supervisor M-1
RVR:GMH052V1
(2)

Approved: LFL/DLO

Transmitted 148/95

Per 196A-1774-249

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM UNLESS WPC IS
CLOSED.

WP Initials: dm

FBI - NEW YORK

~~(S)~~ (U)

[Redacted]

b7D
b7F

[Redacted] (~~S~~) (U)

ON

[Redacted]

SOURCE

[Redacted]

[Redacted]

b7D
b7F

[Redacted] (~~S~~) (U)

[Redacted]

[Redacted] (~~S~~) (U)

b7D
b7F
b7E

[Redacted]

7 X

CONSIDERED ARMED AND DANGEROUS.

REQUEST OF THE BUREAU.

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS BERNS AND BONN.

ADMINISTRATIVE

NY SOURCE IS

[REDACTED]

(S) (U)

b7D
b7F

THIS INFORMATION IS SINGULAR IN NATURE AND HIGHLY CONFIDENTIAL
AND SHOULD NOT BE DISSEMINATED OUTSIDE THE FBI IN ORDER TO PROTECT
THE IDENTITY OF THE SOURCE. [REDACTED]

b6
b7C

VZCZCNY0195

PP HQ

DE NY #0148 0732350

ZNY SSSSS

R 132133Z MAR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATTN: [REDACTED] FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FBW; MAIL
FRAUD; TAX EVASION; TRADING WITH THE ENEMY; CO: NEW YORK.

RENYTEL TO BUREAU, DATED JANUARY 31, 1984 AND FEBRUARY 23,
1984, AND NUMEROUS TELCALLS BETWEEN FBIHQ AND NEW YORK.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

[REDACTED] SOURCE ADVISED ON MARCH 9, 1984, [REDACTED] (S) (U)

b7D
b7E

22a-01
CLASSIFIED BY [REDACTED]
REASON: 15 (C)
DECLASSIFY ON: X1

b6
b7C

196-1774-349

h	p

PAGE TWO DE NY 0148 ~~SECRET~~

b7D
b7F

(S) (U)

ON

SOURCE

b7D
b7F

(S) (U)

b7D
b7F
b7E

(S) (U)

SECRET

PAGE THREE DE NY 0148 ~~SECRET~~

b7E

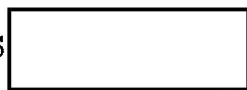
CONSIDERED ARMED AND DANGEROUS.

REQUEST OF THE BUREAU.

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS BERNS AND BONN.

ADMINISTRATIVE


NY SOURCE IS



(S) (U)

b7D

b7F

THIS INFORMATION IS SINGULAR IN NATURE AND HIGHLY CONFIDENTIAL
AND SHOULD NOT BE DISSEMINATED OUTSIDE THE FBI IN ORDER TO PROTECT
THE IDENTITY OF THE SOURCE. 

BT

#0148

VZCZCH00413 075343Z

RR NY

DE HQ #0214

ZNR UUUUU

R 142200Z MAR 84

FM DIRECTOR FBI

TO FBI NEW YORK ROUTINE

BT

UNCLAS

M-196-1774

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBN;
MF; TAX EVASION; TRADING WITH THE ENEMY. OO: NEW YORK.

RE NEW YORK AIRTEL FEBRUARY 14, 1984.

LEGAT, BERN ADVISED BY TELETYPE DATED 3/13/84 AS FOLLOWS:

REPRESENTATIVES OF THE STATE DEPARTMENT IN THE AMERICAN
EMBASSY, BERN, HAVE REVIEWED THE INDICTMENT FORWARDED AS AN
ENCLOSURE TO REAIRTEL. THEY HAVE INDICATED THAT THIS INDICTMENT
WAS "SUPERSEDED" PARTIALLY IN ORDER TO INCLUDE SOME MINOR
TECHNICAL CHANGES. THE EMBASSY WOULD LIKE TO PRESENT A COPY OF
THE AMENDED INDICTMENT TO THE SWISS GOVERNMENT OFFICIALS WITH WHOM
THEY ARE IN CONTACT, AND THEY REQUESTED THAT A COPY OF THE AMENDED
VERSION OF THE INDICTMENT BE OBTAINED.

NEW YORK IS REQUESTED TO OBTAIN SUCH AN AMENDED VERSION FROM
THE OFFICE OF THE USA AND TO FORWARD IT TO BERN VIA INTERNATIONAL
AIRMAIL TO P. O. BOX 1365. CH 3005 BERN, SWITZERLAND.

BT

#0214

mm

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

b6
b7C

b6
b7C

M-1
196-1774 - 249A
149h
150h

b6
b7C

~~SECRET~~

NY 196A-1774

On February 24, 1984, [redacted] provided the following
information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

[redacted]

b6
b7C
b7D
b7F
b7E

ADMINISTRATIVE

The above-mentioned information is extremely sensitive
and singular in nature, any disclosure would endanger source's
life.

The above-mentioned information was brought to the
attention of SA [redacted]

b6
b7C

~~SECRET~~

~~Classified by G-3~~
~~Declassify on OADR~~

DECLASSIFIED BY [redacted]

ON 2-22-01

b6
b7C

196A-1774-250

SEARCHED	INDEXED
SERIALIZED	FILED
[initials]	
[initials]	

RUR

196A-1774

Marc Rich Loses on Data Plea

By ARNOLD H. LUBASCH

A Federal judge rejected a defense request yesterday for an extensive order to restrict information about the tax-evasion case involving commodity trading by the Marc Rich companies.

At a hearing in Federal District Court in Manhattan, defense lawyers sought an unusually broad order to prevent the Government from disclosing information about the case. The request was rejected by Judge Shirley Wohl Kram, who will conduct the criminal trial, which is scheduled to begin in a few weeks.

Judge Kram, describing the defense's proposed order as "overly broad" and unnecessary, declared that existing court rules were sufficient to protect the rights of the defendants.

John J. Tighe Jr., a lawyer for the main Rich company, accused Federal prosecutors of making prejudicial statements. He argued that the judge should impose a court order restraining public comments by the prosecutors and all Government agencies.

Rudolph W. Giuliani, the United States Attorney in Manhattan, told the judge that Mr. Rich and his principal partner were unhappy about publicity concerning the charges against them, but "that's scarcely a reason to trample on First Amendment rights."

Mr. Giuliani stressed that it was the actions of the defendants that had generated publicity in the case. He noted that Mr. Rich and his partner became "international fugitives," that their company paid \$11 million in fines for disobeying court orders to turn over documents and that efforts were made to ship "a steamer trunk filled with documents under subpoena" to Switzerland.

The case, which includes charges that Mr. Rich and his associates concealed more than \$100 million in taxable income on crude-oil deals, has been described by prosecutors as "the largest tax-evasion scheme ever prosecuted."

Mr. Rich and his principal partner, Pincus Green, are defendants in the case, but they remain fugitives in Switzerland. The defendants in the trial include an associate, Clyde Melt-

zer, as well as two key companies — Marc Rich & Company A. G., the Swiss trading concern, and a New York trading arm called Clarendon Ltd.

The Government's opposition to the move was supported by lawyers for several news organizations, including Michael B. Mukasey, a lawyer for Dow Jones, who argued at the hearing and submitted a letter that was joined in by The New York Times.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196-1774-251
a p
RJR

Arco Fires 3 Aides Who Were Involved In Crude Oil Trade

By SCOT J. PALTROW
Staff Reporter of THE WALL STREET JOURNAL

LOS ANGELES—Three top executives in Atlantic Richfield Co.'s crude oil trading department were fired last week and the company's vice president of crude trade relations is retiring.

The company refused to comment on the reason for the changes.

The indictment against the Rich concern and principals of the company cites Arco as a party, albeit unwitting, in schemes to evade U.S. tax payments and defraud the U.S. Energy Department by circumventing crude price control regulations. The indictment doesn't allege any wrongdoing on the part of Arco.

An Arco official confirmed that oil traders Frank Smith, Joe Wortman and Russell Osborne were dismissed last week and that William Ariano, the crude trade relations vice president, is retiring. The source said Mr. Ariano is retiring "at the normal time." An Arco spokesman refused to give Mr. Ariano's age.

An Arco in-house attorney, John Rathje, refused to comment on whether the changes in the oil trading department were related to the continuing federal investigation in New York of Marc Rich & Co., a commodities trading concern. Last fall, Marc Rich & Co., Mr. Rich and several other companies he was affiliated with were named in a 51-count federal indictment that includes charges of violating crude oil price controls. A trial in the case currently is scheduled to begin on May 15.

A recent Fortune magazine article said that Mr. Ariano had a close professional relationship with Mr. Rich. The article said that Mr. Ariano and others in Arco's trading department purchased crude oil for Arco from Marc Rich & Co. in the late 1970s, often at high premiums.

Mr. Ariano and the three traders led the company's crude oil trading department, according to sources. "They were the trading department," said an oil trader for another company, who asked not to be identified.

None of the four could be reached for comment yesterday. However, the AP/Dow Jones Economic Wire quoted Mr. Ariano as saying that his retirement didn't have anything to do with the Marc Rich affair.

An assistant U.S. attorney in New York refused to say whether any of the four Arco employees had been interviewed by federal investigators or would be called to testify during the Marc Rich trial.

Mr. Rathje said Arco wouldn't have any comment on the staff changes because "it's the policy of the company not to comment on its employees."

(Indicate page, name of newspaper, city and state.) **PAGE 5**

**WALL STREET JOURNAL
NEW YORK, NEW YORK**

Date: **3/13/84**
Edition:

Title: **MARC RICH ET AL**

Character:
or

Classification:

Submitting Office: **196A-1774**

Indexing:

**ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]**

b6
b7C

196-1774-252

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 13 1984	
FBI - NEW YORK	
RJR	

b6
b7C

FDI

10.010

TELETYPE

PRIORITY

~~SECRET~~

3/22/84

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (106-2843)

ATTN: SUPV. [REDACTED]

FINANCIAL CRIMES

ATTN: SUPV. [REDACTED]

FUGITIVE UNIT

NEW HAVEN ()

ATTN: SPECIAL AGENT [REDACTED]

b6
b7C

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH
AND COMPANY, A.G.; MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA
CLARENDON A.G.; RICO; FBW; HF; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK.

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

2-22-01
CLASSIFIED BY: [REDACTED]
EXEMPT 1.5 (C,d)
1,6

b6
b7C

1 - New York
1 - Supervisor M-1
RVR:gmh067V1
(2)

RVR
M

Approved: [Signature]

Transmitted: 127/912

Per [Signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

Initials: [Signature]

b6
b7C

RVR

RENYTEL, DATED MARCH 5, 1984, AND LEGAT, BONN, TELCAL,
MARCH 21, 1984.

FOR INFORMATION OF BUREAU AND LEGAT, BONN, A RELIABLE [REDACTED]

[REDACTED] SOURCE OBTAINED THE FOLLOWING INFORMATION ON [REDACTED]

b7D
b7F

[REDACTED] SOURCE PROVIDED THE FOLLOWING INFORMATION: (S) (U)

SOURCE LEARNED [REDACTED]

b7D
b7F

IN REGARD TO [REDACTED]

b7D
b7F

IN REGARD TO [REDACTED]

b7D
b7F

(S) (U)

b7D
b7F

SOURCE LEARNED THE

b6
b7C
b7D
b7F

b7D
b7F

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS.
REQUEST OF THE BUREAU.

BUREAU IS REQUESTED TO TRANSMIT CONTENTS OF THE TELETYPE TO
LEGAT, BONN.

ADMINISTRATIVE

☐ SOURCE MENTIONED ABOVE IN ☐ (~~S~~)(U)

b7D
b7F

SOURCE PLANS TO ☐

☐

☐ (~~S~~)(U)

IN REGARD TO ☐

☐

b7D
b7F

☐ (~~S~~)(U)

SOURCE LEARNED THAT [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U)

FINALLY, SOURCE HEARD THAT [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U)

NY WILL MAKE TENTATIVE [REDACTED]

b7E
b7D

LEGAL, BOMI WILL BE ADVISED OF [REDACTED] FINALIZED.

[REDACTED] BUREAU AND
[REDACTED] ONCE THEY ARE

~~C BY S-3; DECL: OADR.~~

b6
b7C

VZCZCNY0912

PP HQ NH

DE NY #0127 0822404

ZNY SSSSS

R 222225Z MAR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES

b6
b7C

ATTN: SUPV. [REDACTED] FUGITIVE UNIT

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINGUS GREEN-FUGITIVE; [REDACTED] MARC RICH
AND COMPANY, A.G.; MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA
CLARENDON A.G.; RICG; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK.

b6
b7C

THIS COMMUNICATION IS CLASSIFIED: "~~SECRET~~" IN ITS ENTIRETY.

2-22-01
CLASSIFIED BY [REDACTED]

b6
b7C

EXEMPT 1.5 (C.d)
1.6

196A-1774-253

MAR 23 1984

mic-7

PAGE TWO DE NY 0127 ~~SECRET~~

RENYTEL, DATED MARCH 5, 1984, AND LEGAT, BONN, TELCAL,
MARCH 21, 1984.

FOR INFORMATION OF BUREAU AND LEGAT, BONN, A RELIABLE [REDACTED]

[REDACTED] SOURCE OBTAINED THE FOLLOWING INFORMATION ON [REDACTED]

b7D
b7F

[REDACTED] SOURCE PROVIDED THE FOLLOWING INFORMATION: (~~S~~)(U)

SOURCE LEARNED [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U)

IN REGARD TO [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U)

IN REGARD TO [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U) X

b7D
b7F

~~(S)~~(U)

SOURCE LEARNED THE

b6
b7C
b7D
b7F

~~(S)~~(U)

b7D
b7F

~~(S)~~(U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS.

PAGE FOUR DE NY 0127 ~~SECRET~~

REQUEST OF THE BUREAU.

BUREAU IS REQUESTED TO TRANSMIT CONTENTS OF THE TELETYPE TO
LEGAT, BONN AND BERN.

ADMINISTRATIVE

☐ SOURCE MENTIONED ABOVE IN ☐ (~~S~~)(U)

b7D
b7F

SOURCE PLANS TO ☐

b7D
b7F

☐ (~~S~~)(U)

IN REGARD TO ☐

b7D
b7F
b7E

PAGE FIVE DE NY 0127 ~~SECRET~~

b7D
b7F
b7E

SOURCE LEARNED THAT

b7D
b7F

~~(S)~~ (U)

FINALLY, -SOURCE HEARD THAT

b7D
b7F

~~(S)~~ (U)

NY WILL MAKE TENTATIVE

b7E
b7D

~~(S)~~ (U)

PAGE SIX DE NY 0127 ~~SECRET~~

[REDACTED]

BUREAU AND

b7E

b7D

LEGAT, PONN WILL BE ADVISED OF

[REDACTED]

ONCE THEY ARE

FINALIZED.

~~G-By G-3; DECL; OADR.~~

BT

#0127

~~SECRET~~

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☒ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date 3/27/84

001

FM NEW YORK (196A-1774) (M-1) (P)

TO ~~TAMPA (196A-NEW) PRIORITY~~ **1607Z**

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH AND COMPANY, A.G., MARC RICH AND COMPANY INTERNATIONAL,
 RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY, (OO: NEW YORK)

RETELCAL FROM SPECIAL AGENT [REDACTED] TO SPECIAL

AGENT [REDACTED] RA, DATED MARCH 26, 1984.

PER THE REQUEST OF AUSA [REDACTED] SOUTHERN DISTRICT

OF NEW YORK, TRIAL AND GRAND JURY SUBPOENAS ARE TO BE SERVED

ON [REDACTED]

[REDACTED] WILL BE AT THE RESIDENCE OF [REDACTED]

TAMPA, [REDACTED] FLORIDA. SERVE TWO SUBPOENAS WHICH

WERE ~~PROSECUTED~~ ON MARCH 26, 1984.

BT

#

1-NEW YORK
 1 - SUPERVISOR M-1
 RVR:mmm
 (2)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-22-01 BY [REDACTED]

Approved: LFL/mwp-3

Transmitted _____

(Number)

(Time)

Per _____

196A-1774-254

MAR 28 1984

RJR

b6
b7Cb6
b7Cb6
b7C
b3b6
b7C
b3b6
b7Cb6
b7C

NY0001 0871607Z

PP TP

DE NYO 001

P 027 1405Z MAR 84

FM NEW YORK (196A-1774) (M-1) (P)

TO TAMPA (196A-NEW)PRIORITY

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY, A.G., MARC RICH AND COMPANY INTERNATIONAL,
RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY, (OO: NEW YORK).

RETELCA FROM SPECIAL AGENT [REDACTED] TO SPECIAL

b6
b7C

AGENT [REDACTED] RA, DATED MARCH 26, "1984.

PER THE REQUEST OF AUSA [REDACTED] SOUTHERN DISTRICT

b6
b7C
b3

OF NEW YORK, TRIAL AND GRAND JURY SUBPOENAS ARE TO BE SERVED

ON [REDACTED]

[REDACTED] WILL BE AT THE RESIDENCE OF [REDACTED]

TAMPA, [REDACTED]

FLORIDA. SERVE TWO SUBPOENAS WHICH

b6
b7C
b3

WERE FACSIMILED ON MARCH 26, 1984.

BT

#

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 2-22-01 BY [REDACTED]

196A-1774-254

mup

Transmit attached by Facsimile - UNCLAS

Precedence IMMEDIATE

To:

ATTENTION:

From:

Subject:

[REDACTED] FLORIDA RA
[REDACTED]
ADIC, NEW YORK 196A-1774

b6

b7C

Date:

Time:

Transmitted - 3:45 P

Initials -

~~PC~~/CJS

MARC RICH ET AL

FBW:MF:

DO:NY

☐

Fingerprint Photo

☐

Fingerprint Record

☐

Map

☐

Newspaper clipping

☐

Photograph

☐

Artists Conception

☒

Other

SUBPOENA

Special handling instructions:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

Approved:

R/MWP-3

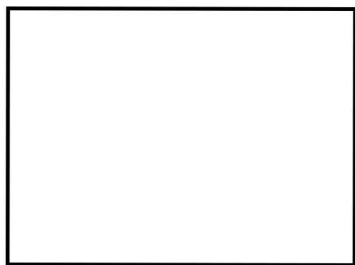
b6

b7C

196A-1774-255

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 28 1984	
[REDACTED] NEW YORK	
IRVR	

FBI/DOJ



b6
b7C

Ex 7 32A/

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[REDACTED]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 1401, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED], at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and [REDACTED]

b6
b7C

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. ---March 26, 1984-----

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Burchhardt

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

[REDACTED]

Room

[REDACTED]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

b6
b7C

TO [REDACTED]

b3

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the GRAND INQUEST of the body of the people of the United States of America for the Southern District of New York, at a District Court, to be held at Room 1401 in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [REDACTED] day of [REDACTED] at [REDACTED] o'clock in the [REDACTED] noon, to testify and give evidence in regard to an alleged violation of Sections 371, 402, 1503, 1962, 1341, 1343, Title 18, United States Code

b3

on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N. Y. March 26, 1984

Raymond F. Buzhardt

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York

Clerk.

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant [REDACTED]

Room [REDACTED]

b6
b7C

FPI-MAR-4-26-78

U. S. ATTORNEY'S OFFICE
SOUTHERN DISTRICT OF NEW YORK
ONE ST. ANDREW'S PLAZA
NEW YORK, NEW YORK 10007



U.S. Department of Justice

Federal Bureau of Investigation

New York, New York

In Reply, Please Refer to
File No.

MAY 5 - 1984

MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE

b6
b7C

[REDACTED]
MARC RICH AND COMPANY A.G.
MARC RICH AND COMPANY INTERNATIONAL LTD.
also known as CLARENDON A.G.
RACKETEER INFLUENCED AND CORRUPT
ORGANIZATIONS
FRAUD BY WIRE
MAIL FRAUD
TAX EVASION
TRADING WITH THE ENEMY

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

Captioned investigation was initiated by the
Federal Bureau of Investigation (FBI) during July 1981.

[REDACTED]
provided information to the FBI that [REDACTED]

b6
b7C
b7D

This document contains neither recommendations nor conclusions
of the FBI. It is the property of the FBI and is loaned to
your agency. It and its contents are not to be distributed
outside your agency.

256

196A-1774-256
RVR

X AIRTEL

b6
b7C

TO: DIRECTOR, FBI (196-2848) (ATTN: FINANCIAL
CRIMES UNIT)

FROM: ADIC, NEW YORK (196A-1774) (M-1) (P)

SUBJECT: MARC RICH - FUGITIVE,
ET AL;
RICO;
FBW;
MF;
TAX EVASION;
TRADING WITH THE ENEMY;
(OO: NY)

Retel from Director to New York, dated 1/16/84, and
airtel from New York to Director, dated 3/5/84.

Enclosed for the Bureau are the original and one copy of
an FD-515, concerning captioned case, and an LHM dated 3/5/84.

Justification for this accomplishment was contained in
an LHM enclosed in the 3/5/84 airtel, and dated 3/5/84.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

3 - Bureau (Encls. 2)
(1 -
Financial Crimes Unit)
(1) - New York
1 - Supervisor (M-1)
RVR:pan (5)

b6
b7C

196A-1774-258

02723
13

Date 3/20/84

TO: DIRECTOR, FBI

FROM: SAC, ADIC, N.Y.
SUBJECT:

MARC RICH-FUGITIVE
PINCUS GREEN-FUGITIVE
et al

RICO-FBW-MF-TAX EVASION-
TRADING WITH THE ENEMY
OO:NY

196B-2848

Bureau File Number

196A-1774

Field Office File Number

M-1

Squad or RA Number

- ☒ - X If a joint FBI/DEA (or other Federal Agency **) operation.
☐ - X If case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☐ No ☒ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Rating Usage
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveill. Sqd Asst
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation
						21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)			Complaints			Informations			Indictments			D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)												
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)			Subject Priority (See Reverse)			A			B			C			Property or PELP Type Code *		Recoveries		Restitutions		Court Ordered Forfeitures		Potential Economic Loss Prevented	
			FBI Arrests -																					
FBI Locates -																								
Number of Subjects of FBI Arrests Who Physically Resisted																								
Number of Subjects of FBI Arrests Who Were Armed																								
Criminal Summons																								
Subpoenas Served																								
C. Release of Hostages: (Number of Hostages Released)															E. Civil Matters									
Hostages Held By Terrorists															Government Defendant									
All Other Hostage Situations															Government Plaintiff									
															Amount of Suit									
															Settlement or Award									
															Enter AFA Payment Here									

F. Final Judicial Process:		Judicial District		District		State		(Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)													
Subject 1 - Name -		Subject's Description Code *																			
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.				<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine							
						Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$						
															\$						
															\$						
															\$						
															\$						
Subject 2 - Name -		Subject's Description Code *																			
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.				<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine							
						Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$						
															\$						
															\$						
															\$						
															\$						
Subject 3 - Name -		Subject's Description Code *																			
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.				<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine							
						Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$						
															\$						
															\$						
															\$						
															\$						

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: Pursuant to 8/5/83

and U.S. Customs.

Case involves a joint investigation between FBI, IRS,

2 - Bureau (1-IAU) (1-66-8492) (1-Supv. M-1) (1-196-1774)

2 - Field Office (RVR) RVR
* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

b6
b7C

TP0027 0910334Z

RR NY

DE TP

R 300237Z MAR 84

FM TAMPA (196A-1329) (PRA/S) (RUC)

TO NEW YORK (196A-1774) (M-1) ROUTINE

BT

UNCLAS

MARC RICH-FUGITIVE; ET AL; RICO; FBW: MF; TAX EVASION; TRADING
WITH THE ENEMY; OO: NEW YORK

RE NEW YORK TELETYPE TO TAMPA, MARCH 27, 1984; TAMPA TELCALL
TO NEW YORK, MARCH 27, 1984.

SUBPOENA WHICH WAS SENT TO TAMPA BY FACSIMILE ON MARCH 26,
1984, SERVED ON [REDACTED] ON MARCH 27,

1984, BY SA [REDACTED]

NO FURTHER INVESTIGATION BEING CONDUCTED BY TAMPA.

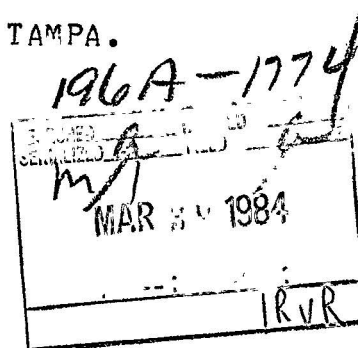
BT

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

b6
b7C
b3



196A-1774-
h to 260
RVR

MARC RICH ET AL

196A-1774

18

THE WALL STREET JOURNAL, Thursday, March 29, 1984

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

DATE 2-22-01 BY [REDACTED]

“Smedley, that Osgood project has to be finished next month.”

“Oh, yes sir... it's wh, moving right along.”

b6
b7C

“Smedley, we can't be a second late on that Osgood project.”

“Not a second Mr. Bigwig.”

“Smedley, if that Osgood project isn't done, heads will roll!”

“No problem H.B., it's ready, thanks to Harvard Project Manager.”

“H.B.?!... humph... ready!!!... Smedley, my boy, would you like to join me at the club for golf?”

“Harry, old man, I'd love to.”

196A-1774-260

Law-Firm Advice May Have Aided Fraud, Court Rules

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—The prominent Manhattan law firm of Proskauer, Rose, Goetz & Mendelsohn may have rendered legal advice “in furtherance of a continuing or future crime or fraud” when it counseled Marc Rich & Co. AG concerning certain transactions, the Second Circuit Court of Appeals ruled yesterday.

As a result, the three-judge panel said Rich, a commodities trading firm, couldn't invoke the attorney-client privilege to prevent government prosecutors from gaining access to certain documents currently in the possession of Proskauer Rose.

Most of the documents relate to advice Proskauer Rose lawyers rendered in connection with Rich's sale of its U.S. subsidiary, Marc Rich International, to several of the subsidiary's top officers in the summer of 1983. The company was reconstituted as Clarendon Ltd. The government has alleged that the sale was fraudulent.

The presiding judge in the case, Leonard Sand, has said the sale had “all the appearances of being a ploy” to put Marc Rich's assets out of reach of the U.S. As reported, the government has charged Marc Rich AG and two of its officers, Marc Rich and Pincus Green, with concealing more than \$100 million in taxable income from oil trading during 1980 and 1981.

The appeals court didn't determine whether Proskauer Rose lawyers actually knew whether their advice would be used in connection with a fraud, saying it was enough that “there is sufficient basis for inferring that the advice sought from Proskauer in connection with the proposed sale of Marc Rich International was sought in connection with a fraud.”

Yesterday, Morton Maneker, the partner at Proskauer Rose who has been in charge of the Rich matter, said the court's opinion was based on “the limited information available to it at this stage of the case,” and that the firm hadn't yet had a chance to tell its side of the story. “When all the facts are out,” he said, “there will be no finding of a fraudulent conveyance” with respect to the sale of Marc Rich International.

Proskauer doesn't any longer represent Rich in the litigation. The company's current lawyers, Kostelanetz & Ritholz, wouldn't comment on the decision and wouldn't say whether the company planned an appeal.

Enstar Director Sues To Halt Postponement Of Annual Meeting

First
Radisson bel
available from a
Card offers spec
of room rate.

Other pluses
and beverages,
your room absol
Radisson Plus C
rates on weeken
Second

FEDERAL BUREAU OF INVESTIGATION

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

b6

b7C

1

Date of transcription 4/2/84

DATE 2-22-01 BY

[redacted] resides at [redacted]. [redacted] contacted him during the fall of 1983 and wanted to purchase [redacted] which are [redacted]. [redacted] said he was stationed in [redacted] Tennessee, and [redacted]. He said he worked all over the country and could meet with [redacted] and negotiate his purchase of [redacted]. He later met him in [redacted] Tennessee, in November of 1983. He didn't appear interested in the purchase and couldn't decide what he really did want. He appeared to be a con man.

b6
b7C

[redacted] recalled [redacted] did use his residence telephone [redacted] Kentucky. He located the bill noting he knows of no one in New York City and determined on October 20, 1983, [redacted] placed a call to telephone [redacted] talked for twenty minutes and caused a charge of \$8.79 on Account Number [redacted] bill dated [redacted] gave no reason for using [redacted] telephone and [redacted] heard nothing of the conversation. He denied knowing registrant of [redacted] explained that [redacted] Kentucky, was leased [redacted] for the purpose of handling mail and inquiries that might have been directed to LEGAL SERVICES OF BALLARD COUNTY, KENTUCKY. That group was established to deal with negotiations between the public as represented by LEGAL SERVICES and the JACKSON PURCHASE RURAL ELECTRIC COMPANY of Paducah, Kentucky. [redacted] explained this was the voice of the residents who felt they had lost control of the system. The Board of Directors of RURAL ELECTRIC COMPANY (REC) was unresponsive to the public's complaints. That caused the establishment of "We The People" to negotiate with REC. [redacted] "We The People", [redacted] Kentucky. The LEGAL SERVICES [redacted] was established to accept and direct correspondence for "We The People". [redacted] was uncertain how anyone obtained the [redacted] of LEGAL SERVICES, but he advised it wouldn't have been too difficult to obtain. In attempting to elect responsive board members to REC, the [redacted] and LEGAL SERVICES name could have become known to numerous members of the community.

b6
b7C

He recalled last seeing [redacted] Tennessee, at the [redacted] on a week day in [redacted] 1983, and [redacted] mentioned going to California. [redacted] advised [redacted] are not

b6
b7C

Investigation on 3/21/84 b6 [redacted] Kentucky Louisville
b7C File # 196B-744
by SA LLOYD W. ARMS, JR. / hac Date dictated 3/27/84

262
NY 194A-1774-
262

b6
b7C2

Continuation of interview of _____

, Page _____

raised in California and _____ was probably lying to him. He described _____ as a white male, American, age _____ hair dark _____ height five feet ten inches and _____ weight estimated at about 140 pounds. Complexion was pale, no facial hair and no distinguishing features. Casual dress and neat in his appearance, _____ was well spoken. He drove a _____ American made automobile, possibly a _____

b6
b7C

_____ recalled that it was strange how much _____ knew about his background although _____ didn't then and doesn't now know of any associates or acquaintances of _____. His demeanor did not remind _____ of a Tennessee or Kentucky residence.

b6
b7C

_____ is described as white American, male, date of birth _____ Kentucky, residence _____ Kentucky, telephone number _____ with the _____ Kentucky, Social Security Account Number _____, Kentucky Driver's License _____ education _____ years _____ military service _____ United States Marine Corps Number _____ honorable discharge, formerly a _____ and presently employed at _____ Kentucky, no noted arrests, _____ has brown hair, _____ eyes brown, _____ height five feet ten ten inches, weight 180 pounds, _____

b6
b7C

He denied knowledge of anyone in New York nor any knowledge of MARC RICH, PINCUS GREEN, _____ MARC RICH AND COMPANY, MARC RICH AND COMPANY INTERNATIONAL LIMITED and CLARENDON A.G. He denied making the October 20, 1983 telephone call to _____

b6
b7C

FEDERAL BUREAU OF INVESTIGATION

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

b6 1
b7C

Date of transcription 4/2/84

[redacted] resides at [redacted] Kentucky. [redacted] contacted him during the fall of 1983 and wanted to purchase [redacted] which are [redacted] said he was stationed in [redacted] Tennessee, and [redacted] He said he worked all over the country and could meet with [redacted] and negotiate his purchase of [redacted] He later met him in [redacted] Tennessee, in November of 1983. He didn't appear interested in the purchase and couldn't decide what he really did want. He appeared to be a con man.

b6
b7C

[redacted] recalled [redacted] did use his residence telephone [redacted] Kentucky. He located the bill noting he knows of no one in New York City and determined on October 20, 1983, [redacted] placed a call to telephone [redacted] talked for twenty minutes and caused a charge of \$8.79 on Account Number [redacted] bill dated [redacted] gave no reason for using [redacted] telephone and [redacted] heard nothing of the conversation. He denied knowing registrant of [redacted] explained that [redacted] Kentucky, was leased [redacted] for the purpose of handling mail and inquiries that might have been directed to LEGAL SERVICES OF BALLARD COUNTY, KENTUCKY. That group was established to deal with negotiations between the public as represented by LEGAL SERVICES and the JACKSON PURCHASE RURAL ELECTRIC COMPANY of Paducah, Kentucky. [redacted] explained this was the voice of the residents who felt they had lost control of the system. The Board of Directors of RURAL ELECTRIC COMPANY (REC) was unresponsive to the public's complaints. That caused the establishment of "We The People" to negotiate with REC. [redacted] "We The People", [redacted] Kentucky. The LEGAL SERVICES [redacted] was established to accept and direct correspondence for "We The People". [redacted] was uncertain how anyone obtained the [redacted] of LEGAL SERVICES, but he advised it wouldn't have been too difficult to obtain. In attempting to elect responsive board members to REC, the [redacted] and LEGAL SERVICES name could have become known to numerous members of the community.

b6
b7C

He recalled last seeing [redacted] Tennessee at the [redacted] on a week day in [redacted] 1983, and [redacted] mentioned going to California. [redacted] advised [redacted] are not

b6
b7C

Investigation on 3/21/84 at [redacted] Kentucky Louisville File # 196B-744
SA LLOYD W. ARMS, JR. / hac b6 b7C 3/27/84
by [redacted] Date dictated [redacted]

NY 196A-1774-262

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS
Date 4/5/84

AIRTEL

TO: SAC, NEW YORK (196A-1774)
FROM: *[Signature]* SAC, LOUISVILLE (196B-744) (RUC)

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
[REDACTED] MARC RICH
AND COMPANY, A.G.;
MARC RICH AND COMPANY,
INTERNATIONAL LIMITED,
Aka "Clarendon, A.G.";
RICO; FBW; MF; TAX EVASION-
TRADING WITH THE ENEMY;

b6
b7C

OO: NEW YORK

Re New York teletype to Louisville, dated 11/25/83.

Enclosed for the New York Division is original and one
copy of FD-302 reflecting interview of [REDACTED]

b6
b7C

During the course of the interview of [REDACTED] it
appeared that he became detached from reality and although
completely cooperative was lying to the interviewing Agent. It
was made clear to [REDACTED] that the caller of [REDACTED]
[REDACTED] in New York could face serious consequences if further
attempts to ask for money to "fix" the MARC RICH case occurred.

b6
b7C

This matter is being RUC'd by the Louisville
Division.

mw ② - New York (Encs. 2)
1 - Louisville (196B-744)
LWA/hac
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196A-1774-263

SEARCHED	INDEXED
SERIALIZED	FILED
APR 11 1984	
NEW YORK	
1 RUC	

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

UNCLAS

4/10/84

10.0 48

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

Corrections Pg 1, 2 & 3
M

PRIORITY
NEW YORK (196A-1774) (P) (M-1)
PRIORITY
DIRECTOR FBI (196-2848)

b6
b7C

C300

ATTN: SUPV. [redacted]
ATTN: SUPV. [redacted]

FINANCIAL CRIME

~~MAJOR INVESTIGATION UNIT~~ Organized Crime Intelligence Unit

BT
UNCLAS

MARK RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [redacted] MARK RICH
AND COMPANY, A.G.; MARK RICH AND COMPANY INTERNATIONAL, LTD. AKA
"CLARENDON A.G."; RICO; FBW; MAIL FRAUD; TAX EVASION; TRADING WITH
THE ENEMY; OO: NY.

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELCAL TO FBIHQ, DATED APRIL 4, 1984.

2-22-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

1 - New York
1 - Supervisor M-1
WMM:gmh053V1
(2)

Approved: ✓

Transmitted

120/395

Per

196A-1774-264

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: LFL/mwp3

b6
b7C

RUR

~~SECRET~~

ON MARCH 28, 1984, A [REDACTED] SOURCE LEARNED THAT [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

3X

SOURCE LEARNED THAT

[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

SOURCE ADVISED

[REDACTED]

(S) (U)

b7D
b7F

THE ABOVE IS FURNISHED FOR INFORMATION.

ADMINISTRATIVE

THE [REDACTED] SOURCE WHO PROVIDED THE ABOVE INFORMATION IS [REDACTED]

b7D
b7F
(S)
(U)

[REDACTED] (S) (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO BOTH SOURCE AND FAMILY.

~~C and E By G-3; DECL: OADR.~~

b6
b7C

~~SECRET~~

VZCZCNY0395

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

PP HQ

DE NY #0120 1030207

ZNY UUUUU

R 112115Z APR 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPV. [REDACTED]

FINANCIAL CRIME

b6
b7C

ATTN: SUPV. [REDACTED]

ORGANIZED CRIME INTELLIGENT UNIT

BT

UNCLAS

MARK RICH-FUGITIVE; PINGUS GREEN-FUGITIVE; [REDACTED] MARK RICH

b6
b7C

AND COMPANY, A.G.; MARK RICH AND COMPANY INTERNATIONAL, LTD. AKA

"CLARENDON A.G."; RICO; FBW; MAIL FRAUD; TAX EVASION; TRADING WITH

THE ENEMY; OO: NY.

THIS COMMUNICATION IS CLASSIFIED ~~"SECRET"~~ IN ITS ENTIRETY.

RENYTELCAL TO FBIHQ, DATED APRIL 4, 1964.

196A-1774-264

2-22-01
CLASSIFIED BY [REDACTED]

b6
b7C

REASON: 1.5 (C)
DECL. AUTHORITY: [REDACTED]

~~SECRET~~

1214

map3

~~SECRET~~

PAGE TWO DE NY 0120 UNCLAS

ON MARCH 28, 1984, A [REDACTED] SOURCE LEARNED THAT [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

IN REGARD TO THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0120 UNCLAS

[REDACTED]

(S) (U)

b7D
b7F

SOURCE LEARNED THAT

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(S)

SOURCE ADVISED

[REDACTED]

[REDACTED]

(S) (U)

b7D
b7F

THE ABOVE IS FURNISHED FOR INFORMATION.

~~SECRET~~

PAGE FOUR DE NY 0120 UNCLAS

ADMINISTRATIVE

THE [REDACTED] SOURCE WHO PROVIDED THE ABOVE INFORMATION IS [REDACTED]

b7D
b7F

[REDACTED] (~~S~~) (U)

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR NATURE AND
DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED]

b7D
b7F

[REDACTED] WHCSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO BOTH SOURCE AND FAMILY.

~~G and E By G E; DECL. OADR.~~

BT

#0120

b7D
b7F

FD-36 (Rev. 5-22-73)

FBI

TELETYPE

PRIORITY

~~SECRET~~

4/13/84

CP
10. 094

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

PRIORITY

NEW YORK (196B-2843) () (M-1)

PRIORITY

DIRECTOR FBI ()

ATTN: [redacted] FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; TAX EVASION;
MF; FBW; TRADING WITH THE ENEMY; OQ: NY.

RENYTEL TO BUREAU.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

ON APRIL 12, 1984, A [redacted] SOURCE LEARNED THAT [redacted]

b6
b7C
b7D
b7F

2-22-01
CLASSIFIED BY: [redacted]

EXEMPT 1.5 (C/D)

DECLASSIFY ON: 1/6

b6
b7C

1 - New York
1 - Supervisor M-1
RVR:gmh020V1
(2)

Approved: [signature]

Transmitted

160 / 603

Per

gr gr
16134

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM. [redacted]

b6
b7C

WP Initials: [signature]

RVR

~~SECRET~~



b6
b7C
b7D
b7F

(U)

REQUEST OF BUREAU

TRANSMIT CONTENTS OF THIS TELETYPE TO LEGAT, BERNS AND BONS.

ADMINISTRATIVE



SOURCE IS



~~(S)~~ (U)

b7D
b7F

~~TOP SECRET~~

INFORMATION FROM [REDACTED] IS HIGHLY SINGULAR AND DISCLOSURE (S)(U)
WOULD REVEAL SOURCE'S IDENTITY. [REDACTED] SOURCE IS
A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE b7D
IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO b7F
SOURCE AND FAMILY.

~~X~~

b6
b7C

VZCZCNY0603

PP HQ

DE NY #0160 1051319

ZNY SSSSS

R 140247Z APR 84

FM FBI NEW YORK (193R-2848) (M-1)

TO DIRECTOR FBI PRIORITY

b6
b7C

ATTN: [REDACTED] FINANCIAL CRIMES UNIT

BT

~~2-22-01~~
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

~~SECRET~~

MARC RICE-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; TAX EVASION;
MF; FBW; TRADING WITH THE ENEMY; OO: NY.

RENYTEL TO BUREAU.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

ON APRIL 12, 1984, A [REDACTED] SOURCE LEARNED THAT [REDACTED]

b6
b7C
b7D
b7F

(S) (U)
196-1774-265
gr gr
APR 16 1984
mwf

~~SECRET~~

PAGE TWO DE NY 0100 ~~SECRET~~

b6
b7C
b7D
b7F

(S) (U)

REQUEST OF BUREAU

TRANSMIT CONTENTS OF THIS TELETYPE TO LEGAT, BERNIS AND BONS.

ADMINISTRATIVE

PAGE THREE DE NY 0160 ~~SECRET~~

[REDACTED] SOURCE IS [REDACTED] (~~S~~) (U)

INFORMATION FROM [REDACTED] IS HIGHLY SINGULAR AND DISCLOSURE (~~S~~) (U)
WOULD REVEAL SOURCE'S IDENTITY. [REDACTED] SOURCE IS
A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE
IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO
SOURCE AND FAMILY.

BT

#0160

b7D
b7F

~~SECRET~~

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

4/20/84

10.060

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (196B-2848) 2310

ATTN: [REDACTED] FCU

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; MF; FBW; TAX
EVASION; TRADING WITH THE ENEMY; OO: NY.

RENYTEL TO BUREAU, DATED MARCH 22, 1984, AND MARCH 13, 1984.

THE FOLLOWING IS CLASSIFIED ~~"SECRET: IN ITS ENTIRETY."~~

ON APRIL 19, 1984, A [REDACTED] SOURCE PROVIDED THE FOLLOWING
INFORMATION REGARDING CAPTIONED SUBJECTS.

b7D
b7F

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

1 - New York
1 - Supervisor M-1
RVR:gmh052V1
(2)

RVR

196-1774-266

Approved: LFL/mur3

Transmitted

121/010

Per

gr

gr

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: gmh

[REDACTED]

RVR

b6
b7C

SOURCE LEARNED THAT

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(S) (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(S) (U)

~~SECRET~~

[REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

REQUEST OF THE BUREAU

THE BUREAU IS REQUESTED TO DISSEMINATE TO LEGAT, BERN AND BONN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] (S) (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

~~C AND E BY G-3; DECL; OADR.~~

b6
b7C

VZCZCNY0212

PP HQ

DE NY #0121 1112155

ZNY SSSSS

R 201922Z APR 84

FM FBI NEW YORK (193A-1774) (P) (M-1)

TO DIRECTOR FBI (196E-2848) PRIORITY

ATTN: [REDACTED] FCU

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINGUS GREEN-FUGITIVE; ET AL; RICO; MF; FEW; TAX
EVASION; TRADING WITH THE ENEMY; CO: NY.

RENYTEL TO BUREAU, DATED MARCH 22, 1984, AND MARCH 13, 1984.

THE FOLLOWING IS CLASSIFIED ~~"SECRET: IN ITS ENTIRETY"~~

ON APRIL 19, 1984, A [REDACTED] SOURCE PROVIDED THE FOLLOWING
INFORMATION REGARDING CAPTIONED SUBJECTS.

b7D
b7F

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
61-081

b6
b7C

196-1774-266

Gr Jre

MW

PAGE TWO DE NY 0121 ~~SECRET~~

SOURCE LEARNED THAT

b6
b7C
b7D
b7F

~~(S)~~(U)

b6
b7C
b7D
b7F

~~(S)~~(U)

PAGE THREE DE NY 0121 ~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] (~~S~~)(U)

REQUEST OF THE BUREAU

THE BUREAU IS REQUESTED TO DISSEMINATE TO LEGAT, BERN AND BONN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED]

(~~S~~)(U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR NATURE AND
DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

~~CONFIDENTIAL; DECLASSIFIED~~

BT

#0121

~~SECRET~~

FBI

TELETYPE

PRIORITY

UNCLAS

4/13/84

P
75
4-24-84

PRIORITY *Reclassified 196-2848*
NEW YORK (196-2949) (P) (M-1)
PRIORITY
~~DIRECTOR FBI~~ (-)

b6
b7C

a & p

ATTN: [REDACTED] CID, FCU

BT
UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; MF; FBW;
TRADING WITH THE ENEMY; TAX EVASION; OO: NY.

REBUTELT TO NEW YORK, DATED MARCH 15, 1984.

ON MARCH 28, 1984, A COPY OF THE AMENDED INDICTMENT OF SUBJECTS
WAS SENT VIA MAIL TO LEGAT, BERN, AT THE UNITED STATES EMBASSY BERN,
SWITZERLAND.

REQUEST OF THE BUREAU

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

1 - New York
1 - Supervisor M-1
RVR:gmh022V1
(2) }

196-1774-267
196-2848

Approved: LFL/mup3

Transmitted

152/693

Per APR 17 1984

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WORD

RVR

WP Initials: elm

b6
b7C

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, BERN.

VZCZCNY0693

PP HQ

DE NY #0152 1072431

ZNY UUUUU

R 162309Z APR 84

FM FBI NEW YORK (196-2949) (M-1)

TO DIRECTOR FBI PRIORITY

ATTN: [REDACTED] CID, FCU

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

b6
b7C

BT

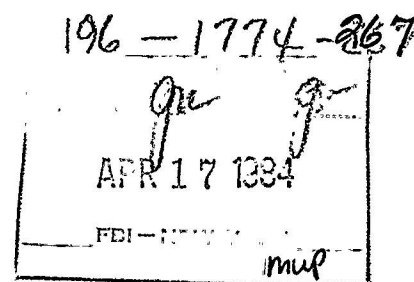
UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; MF; FBW;
TRADING WITH THE ENEMY; TAX EVASION; OO: NY.

REBUTELT TO NEW YORK, DATED MARCH 15, 1984.

ON MARCH 28, 1984, A COPY OF THE AMENDED INDICTMENT OF SUBJECTS
WAS SENT VIA MAIL TO LEGAT, BERN, AT THE UNITED STATES EMBASSY BERN,
SWITZERLAND.

REQUEST OF THE BUREAU



PAGE TWO, DE NY 0152 UNCLAS

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, -BERN.

BT

#0152

b6
b7C

~~SECRET~~

WMM jb
1

On February 14, 1984, [REDACTED] provided the following (S) information to Special Agent (SA) [REDACTED] (U)

b6
b7C
b7D
b7F

Source learned that [REDACTED] received a Federal Grand Jury subpoena [REDACTED] Source learned this Federal Grand Jury subpoena concerns [REDACTED] (S) (U)

b7D
b7F
b3

ADMINISTRATIVE

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b7D
b7F
b7E

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

2-22-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X-1

b6
b7C

196-1774-268
MAY 4 1984
[REDACTED] IR VR

b6
b7C

196A-1774

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

WMM:jb
1

On February 21, 1984, [redacted] (S) (U) provided the following
information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

On [redacted] source spoke with [redacted] (First
Name Unknown) (FNU) [redacted]

b6
b7C
b7D
b7F

Source was told [redacted]

b6
b7C
b7D
b7F

Source advised [redacted]

b6
b7C
b7D
b7F

2-22-01
CLASSIFIED BY: [redacted]

REASON: 1.5 (C)

DECLASSIFY ON: X1

b6
b7C

196-1774-269

[redacted]

RVR

~~CONFIDENTIAL~~

2

[Redacted]

b7D
b7F

[Redacted] (~~S~~)(U)

In regard to [Redacted]

[Redacted]

b6
b7C
b7D
b7F

[Redacted] (~~S~~)(U)

Source advised [Redacted]

[Redacted]

b6
b7C
b7D
b7F

[Redacted] (~~S~~)(U)

Source stated [Redacted]

[Redacted]

b6
b7C
b7D
b7F

[Redacted] (~~S~~)(U)

According to source, [Redacted]

[Redacted]

b6
b7C
b7D
b7F

(~~S~~)(U)

X

~~SECRET~~

3

Source advised that [REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

Source expressed the opinion that [REDACTED]

b7D
b7F

~~(S)~~ (U)

ADMINISTRATIVE:

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b7D
b7F
b7E

~~X~~

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

WMM:jb
1

On February 22, 1984, [REDACTED] provided the following (S)(U)
information to Special Agent (SA) [REDACTED]

b6
b7C
b7D
b7F

Source learned that [REDACTED]

b7D
b7F

ADMINISTRATIVE

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND
FAMILY.

b7D
b7F
b7E

2-22-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-270

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 4 1984	
FBI - NEW YORK	
[REDACTED] mwp RVR	

b6
b7C

196-0

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

WMM:jb
1

On March 12, 1984, [redacted] provided the following (S)(U)
information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S)(U)

Source learned that [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S)(U)

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S)(U)

According to [redacted]

[redacted]

b7D
b7F

[redacted] (S)(U)

[redacted]

[redacted] (S)(U)

b6
b7C
b7D
b7F

2-22-01
CLASSIFIED BY: [redacted]
EXEMPT: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

X

196-1774-271
MAY 4 1984
[redacted] RUR

2

[REDACTED]

(S) (U)

ADMINISTRATIVE

b7D
b7F
b7E

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b6
b7C

196A-1774

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

WMM:jb
1

On March 13, 1984, [REDACTED] provided the following (S) (U)
information to Special Agent (SA) [REDACTED]

b6
b7C
b7D
b7F

Source learned that [REDACTED]

[REDACTED]
[REDACTED] (S) (U)

b7D
b7F

ADMINISTRATIVE

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND
FAMILY.

b7D
b7F
b7E

2-22-01
CLASSIFIED BY [REDACTED]
REASON 15 (C)
DECLASSIFY ON [REDACTED]

b6
b7C

~~SECRET~~

196-1774-272

MAY 4 1984

FBI-NEW YORK

[REDACTED]

WMM
RUR

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

WMM:sfn

NY 196A-1774

On March 20, 1984, [redacted] provided the following (S) (U)
information to Special Agent [redacted]

b6
b7C
b7D
b7F

Source advised he learned the following information from

b6
b7C
b7D
b7F

[redacted] (S) (U)

[redacted]

b7D
b7F

[redacted]

[redacted] (S) (U)

[redacted]

b7D
b7F

[redacted]

[redacted] (S) (U)

[redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S) (U)

[redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S) (U)

[redacted]

[redacted] (S) (U)

b7D
b7F

Administrative

Information from this source is of a highly singular
nature and disclosure would reveal source's identity. Source

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (c)
DECLASSIFY ON: X 1

b6
b7C

196-1774-273

MAY 4 1984

FBI-NEW YORK

[redacted]

man
RVR

WMM:sfn

NY 196A-1774

[redacted] Source is a highly placed informant critical to [redacted] investigations, whose identity, if revealed, will possibly lead to physical danger to source and his family.

b7D
b7F
b7E

b6
b7C

INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

WMM:jb
1

On March 9, 1984, [redacted] provided the following (S)(U)
information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

(S)(U)

Source said the [redacted]

[redacted]

b6
b7C
b7D
b7F

(S)(U)

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

(S)(U)

ADMINISTRATIVE

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [redacted]
[redacted] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [redacted] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND
FAMILY.

b7D
b7F
b7E

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-274

MAY 4 1984

W. YORK

RUC

b6
b7C

08/15/01
10/10/01
11/15/01

WMM:jb

1

On March 19, 1984, [REDACTED] provided the following (S) (U)
information to Special Agent (SA) [REDACTED]

b6
b7C
b7D
b7F

Source learned that [REDACTED]

b7D
b7F

[REDACTED]
[REDACTED] (S) (U)

Source advised [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] (S) (U)

ADMINISTRATIVE

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR IN
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]
[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND
FAMILY.

b7D
b7F
b7E

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

b6
b7C

196-1774-275
MAY 4 1984
RVR

b6
b7C

WMM:sfn

NY 196A-1774

On March 21, 1984, [REDACTED] provided the following (S) (U)
information to Special Agent (SA) [REDACTED]

b6
b7C
b7D
b7F

Source learned that [REDACTED] (phonetic) (ph) is the

[REDACTED]
[REDACTED] (S) (U)

b6
b7C
b7D
b7F

Administrative

Information from this source is of a highly singular
nature and disclosure would reveal source's identity. [REDACTED]
[REDACTED] Source is a highly placed informant critical
to [REDACTED]
investigations, whose identity, if revealed, will possibly lead
to physical danger to source and his family.

b7D
b7F
b7E

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

2-22-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X1

b6
b7C

196-1774-276

MAY 4 1984
FBI - NEW YORK
[REDACTED]

b6
b7C

WMM:sfn

NY 196A-1774

On March 22, 1984, [redacted] provided the following (S)(U)
information to Special Agent [redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]

[redacted]

b7D
b7F

(S)(U)

[redacted]

b6
b7C
b7D
b7F

(S)(U)

Source stated [redacted]

[redacted]

b6
b7C
b7D
b7F

(S)(U)

Administrative

Information from this source is of a highly singular
nature and disclosure would reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical
to [redacted]
investigations, whose identity, if revealed, will possibly lead
to physical danger to source and his family.

b7D
b7F
b7E

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

2-22-01
CLASSIFIED BY [redacted]
EX-15 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-277
SEARCHED
SERIALIZED
MAY 4 1984
FBI-NEW YORK
[redacted]

b6
b7C

~~SECRET~~

WMM:sfn

NY 196A-1774

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

The following information is classified "~~Secret~~" in its
entirety.

On March 28, 1984, [redacted] provided the following (S)(U)
information to Special Agents [redacted]
[redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

(S)(U)

b6
b7C
b7D
b7F

(S)(U)

Source learned that [redacted]

(U)
(S)

b6
b7C
b7D
b7F

~~SECRET~~

~~Classified on G-3~~
~~Declassify by OADR~~

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-278

MAY 4 1984

FBI-NEW YORK

[redacted]

~~SECRET~~

WMM:sfn

NY 196A-1774

[REDACTED]

(S)(U)

b6
b7C
b7D
b7F

Administrative

Information from this source is of a highly singular nature and disclosure would reveal source's identity. [REDACTED]

[REDACTED] Source is a highly placed informant critical to [REDACTED]

investigations, whose identity, if revealed, will possibly lead to physical danger to source and his family.

b7D
b7F
b7E

b6
b7C

WMM:sfn

NY 196A-1774

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

On April 2, 1984, [redacted] provided the following ~~(S)~~ (U) information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

During the [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

Administrative

Information from this source is of a highly singular nature and disclosure would reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical to [redacted] investigations, whose identity, if revealed, will possibly lead to physical danger to source and his family.

b7D
b7F
b7E

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

~~SECRET~~

196-1774-279
MAY 4 1994
FBI - NEW YORK
[redacted]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

~~TOP SECRET~~

WMM:sfn

NY 196A-1774

On April 2, 1984, [redacted] provided the following (S) (U)
information to Special Agents [redacted]
[redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]
[redacted]

b7D
b7F

(S) (U)

Source stated that [redacted]
[redacted]

b6
b7C
b7D
b7F

Source advised [redacted]
[redacted]

b6
b7C
b7D
b7F

(S) (U)

Source advised that source would [redacted]
[redacted]

b6
b7C
b7D
b7F

(S) (U)

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X1

b6
b7C

100-250 280
MAY 4 1994
FBI-NEW YORK
[redacted]

WMM:sfn

NY 196A-1774

~~SECRET~~

[REDACTED]

[REDACTED] (U)

Administrative

Information from this source is of a highly singular nature and disclosure would reveal source's identity. [REDACTED]
[REDACTED] Source is a highly placed informant critical to [REDACTED]
investigations, whose identity, if revealed, will possibly lead to physical danger to source and his family.

b6
b7C
b7D
b7F

b7D
b7F
b7E

~~SECRET~~

b6
b7C

WMM:sfn

NY 196A-1774

On April 5, 1984, [REDACTED] provided the following ~~(S)~~ (U)
information to Special Agent (SA) [REDACTED]

b6
b7C
b7D
b7F

Source advised [REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

2-22-01
CLASSIFIED BY: [REDACTED]
X 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-281

MAY 4 1984

FBI-NEW YORK

[REDACTED]

TO: DIRECTOR, FBI

FROM: SAC, TAMPA
SUBJECT:

MARC RICH - FUGITIVE (C);
PINUS GREEN-FUGITIVE (C);

ET AL
RICO; FBW; MF
(OO: NEW YORK)

Bureau File Number

196A-1329

Field Office File Number

1285

Squad or RA Number

b6

b7C

- ☐ - X if a joint FBI/DEA (or other Federal Agency **) operation.
☐ - X if case involves corruption of a public official (Federal, State or Local).

Date 4/6/84

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☐ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

16. Show Money Rating Usage

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	17. Surveill. Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)		Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)		Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
		A	B	C					
FBI Arrests -						\$	\$	\$	\$
FBI Locates -						\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Physically Resisted						\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Were Armed						\$	\$	\$	\$
Criminal Summonses		Subpoenas Served 1				\$	\$	\$	\$
C. Release of Hostages: (Number of Hostages Released)					E. Civil Matters		Government Defendant		Government Plaintiff
Hostages Held By Terrorists; All Other Hostage Situations					Amount of Suit		\$		\$
					Settlement or Award		\$		\$
					Enter AFA Payment Here				

F. Final Judicial Process: Judicial District _____ State _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name -		Subject's Description Code *											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 2 - Name -		Subject's Description Code *											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 3 - Name -		Subject's Description Code *											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks:

Subpoena sent via facsimile from NYO and served by BU Agent due to short time frame

2 - Bureau
3 - Field Office (1-194C-1329)(1-66-3 Sub1)(1-66-13)

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

WRS:llr

(6)

196B-1774-282
196A-1329 NI dm

SEARCHED	INDEXED
SERIALIZED	FILED
APR 27 1984	
NEW YORK	

b6
b7C
b3
FBI/DOJ

Property Type Codes*

Code No	Description
1	Cash (U.S. and foreign currency)
2	Stock, Bonds or Negotiable Instruments (checks, travelers checks, money orders, certificates of deposit, etc)
3	General Retail Merchandise (clothing, food, liquor, cigarettes, TVs, etc)
4	Vehicles (autos, trucks, tractors, trailers, campers, motorcycles, etc)
5	Heavy Machinery & Equipment (heavy equipment, computers, etc)
6	Bulk Materials (grain, fuel, raw materials, metals, wire, etc)
7	Jewelry (including unset precious and semiprecious stones)
8	Precious Metals (gold, silver, silverware, platinum, etc)
9	Art, Antiques or Rare Collections
10	Dangerous Drugs
11	Weapons or Explosives
12	Businesses or Assets Forfeited
20	All Other Recoveries (not falling in any category above)

Potential Economic Loss Prevented (PELP) Type Codes *

Code No	Description
21	Blank Negotiable Instruments or Tickets
22	Counterfeit Stocks, Bonds, Currency or Negotiable Instruments
23	Counterfeit or Pirated Sound Recordings or Motion Pictures
24	Bank Theft Scheme Aborted
25	Ransom, Extortion or Bribe Demand Aborted
26	Theft From, or Fraud Against, Government Scheme Aborted
27	Commercial or Industrial Theft Scheme Aborted
30	All Other Potential Economic Loss Prevented (not falling in any category above)

*The case file must contain an explanation of the computation of the recovery value or loss prevented. An explanation airtel must accompany this report if the recovery is \$1 million or more, or if the PELP is \$5 million or more.

Subject Description Codes *

- Enter Description Code Only When Reporting a Conviction -

Organized Crime Subjects:

- 1A Boss, Underboss or Consigliere
- 1B Capodecina or Soldier
- 1C Possible LCN Member or Associate
- 1D OC Subject Other Than LCN

Known Criminals (Other Than OC Members):

- 2A Top Ten or I.O. Fugitive
- 2B Top Thief
- 2C Top Con Man

Foreign Nationals:

- 3A Legal Alien
- 3B Illegal Alien
- 3C Foreign Official Without Diplomatic Immunity
- 3D U.N. Employee Without Diplomatic Immunity
- 3E Foreign Students
- 3F All Others

Terrorists:

- 4A Known Member of a Terrorist Organization
- 4B Possible Terrorist Member or Sympathizer

*If a subject can be classified in more than one of the categories, select the most appropriate in the circumstance.

Union Members:

- 5A International or National Officer
- 5B Local Officer
- 5C Union Employee

Government Official Or Employees:

- 6A Federal - Elected Official
- 6B Federal - Nonelected Executive Level
- 6C Federal - All Other
- 6D State - Elected Official
- 6E State - Nonelected Executive Level
- 6F State - All Other
- 6G Local - Elected Official
- 6H Local - Nonelected Executive Level
- 6J Local - All Other

Bank Officers Or Employees:

- 7A Bank Officer
- 7B Bank Employee

All Others:

- 8A All Other Subjects (not fitting above categories)

Instructions**Subject Priorities for FBI Arrest or Locates:**

- A - Subject wanted for crimes of violence (i.e. murder, manslaughter, forcible rape, robbery and aggravated assault) or convicted of such crimes in the past five years.
- B - Subjects wanted for crimes involving the loss or destruction of property valued in excess of \$25,000 or convicted of such crimes in the past five years.
- C - All others

Claiming Convictions Other Than Federal:

It is permissible to claim a local (state, county or local) conviction if the FBI's investigation significantly contributed to the successful local prosecution. A succinct narrative setting forth the basis for claiming a local conviction must accompany this report. When claiming a conviction other than Federal, enter the word "LOCAL" in the "Conviction-Section" block, disregard the number of conviction counts, but enter the sentence in the appropriate blocks. Enter "LF" in the "In-Jail" block for all life sentences and "CP" for all capital punishment sentences.

Reporting Convictions:

Convictions should not be reported until the sentence has been issued. There are two exceptions to this rule. The conviction information can be submitted by itself if:

- 1. The subject becomes a fugitive after conviction but prior to sentencing.
- 2. The subject dies after conviction but prior to sentencing.

An explanation is required in the Remarks section for either of the above exceptions.

Rule 20 Situations:

The field office that obtained the process (normally the office of origin) is the office that should claim the conviction, not the office where the subject enters the plea in cases involving Rule 20 of the Federal Rules of Criminal Procedures.

Investigative Assistance or Techniques (IA/Ts) Used:

-Since more than one IA/T could have contributed to the accomplishment, each IA/T must be rated.

-The IA/T used must be rated **each time** an accomplishment is claimed. (For example - if informant information was the basis for a complaint, an arrest, a recovery and a conviction and if separate FD-515s are submitted for each of the aforementioned accomplishments, the "Informant Information" block must be rated on each FD-515 even if it was the same information that contributed to all the accomplishments.)

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

10.43

TELETYPE

PRIORITY

~~SECRET~~

5/8/84

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

PRIORITY
NEW YORK (196A-1774) (P) (M-1)
PRIORITY
DIRECTOR FBI (196B-2848)

ATTN: [REDACTED] FINANCIAL CRIMES UNIT
NEW HAVEN ()
ATTN: SPECIAL AGENT [REDACTED]

b6
b7C

BT
~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBW; MP;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO THE DIRECTOR, DATED FEBRUARY, 2, 1984, FEBRUARY 23,
1984, FEBRUARY 20, 1984, MARCH 7, 1984, MARCH 23, 1984.

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

2-22-01
CLASSIFIED BY [REDACTED]
EXEMPT FROM GDS (C)
EXEMPT FROM GDS (X)

b6
b7C

- 1 - New York
- 1 - Supervisor M-1

RVR:sjj007V1
(2)

Signed out by NYLT Supv. (See M-1 Cyp)

283

Approved: _____ Transmitted: _____ Per: *MP* 10 1984

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM. [REDACTED] WORD

b6
b7C

WP Initials: _____

ON MAY 7, 1984, A [REDACTED] SOURCE ADVISED THAT [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

REQUEST OF THE BUREAU

b7D
b7F

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS, BERN AND BONN
ADMISTRATIVE, [REDACTED] SOURCE IS [REDACTED] INFORMATION FROM (S) (U)
SOURCE IS HIGHLY SINGULAR AND DISCLOSURE WOULD REVEAL SOURCE'S
IDENTITY. [REDACTED]

SPECIAL AGENT [REDACTED] NEW YORK DIVISION, AND SPECIAL AGENT
[REDACTED] NEW HAVEN DIVISION. [REDACTED]

b6
b7C
b7E

[REDACTED]
[REDACTED] LEGAT, BONN WILL BE ADVISED BY TELEPHONE OF
ANY CHANGES..

(10)
X

b6
b7c

~~SECRET~~

PP NO 00H

DE NY 00148 1300217

ZNY SSSSS

R 082345Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATTN: [REDACTED] FINANCIAL CRIMES UNIT

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

b6
b7c

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBW; MP;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO THE DIRECTOR, DATED FEBRUARY, 2, 1984, FEBRUARY 23,
1984, FEBRUARY 20, 1984, MARCH 7, 1984, MARCH 23, 1984.

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" ~~IN ITS ENTIRETY~~

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7c

~~SECRET~~

196-1774-003
MAY 10 1984
FBI - NEW YORK
[initials]

PAGE TWO DE NY 014E ~~SECRET~~

ON MAY 7, 1984, A [REDACTED] SOURCE ADVISED THAT [REDACTED]

~~RET~~

b6
b7C
b7D
b7F

(S)(U)

b6
b7C
b7D
b7F

(S)(U)

~~RET~~

~~SECRET~~

PAGE THREE DE NY 2148 ~~SECRET~~

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS, BERLIN AND BONN
ADMINISTRATIVE, [REDACTED] SOURCE IS [REDACTED] (S) (U) INFORMATION FROM
SOURCE IS HIGHLY SINGULAR AND DISCLOSURE WOULD REVEAL SOURCE'S
IDENTITY. [REDACTED]

b7D
b7E

SPECIAL AGENT [REDACTED] NEW YORK DIVISION, AND SPECIAL AGENT

[REDACTED] NEW HAVEN DIVISION, [REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7E

LEGAT. BONN WILL BE ADVISED BY TELEPHONE OF

ANY CHANGES

PT

#0148

~~SECRET~~

MAY 15 1984
Date

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: ADIC, NEW YORK

SUBJECT: MARC RICH-FUGITIVE;

PINCUS GREEN-FUGITIVE;

ET AL;

RICO;

FBW;

MF;

TAX EVASION;

TRADING WITH THE ENEMY

(OO:NY)

196A-1774

Field Office File Number

M-1

Squad or RA Number

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech. Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Surveill. Sqd Asst	Rating
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. SWAT Team Action	
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. Telephone Toll Records	
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Undercover Operation	
5. ELSUR - FISC		10. Lab Div Exams		15. Show Money Usage		20. Visual Invest - Analysis (VIA)	

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates & Summonses (Number of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	b3 Court Ordered Forfeitures	Potential Economic Loss Prevented
FBI Arrests -	A	B	C					
FBI Locates -								
Criminal Summons -								
Number of Subjects of FBI Arrests Who Physically Resisted								
Number of Subjects of FBI Arrests Who Were Armed								
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters	Government Defendant		Government Plaintiff	
Hostages Held By Terrorists	All Other Hostage Situations			Amount of Suit				
				Settlement or Award				

F. Final Judicial Process: Judicial District (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only.)

Subject 1 - Name -	District	State	Subject's Description Code *										
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
	Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 2 - Name -	Subject's Description Code *												
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
	Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Subject 3 - Name -	Subject's Description Code *												
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.		<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
	Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	Yrs	Mos		

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: Pursuant to 8/5/83

Case involves a joint investigation between FBI, IRS and U.S. Customs.

2 - Bureau
1 - 66-8492

1 - LAU

1 - SUPV M-1

1 - 196A-1774

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 2-22-01 BY

b6
b7C
b3

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

MAY 15 1984

TO : DIRECTOR, FBI (196B-2848)
(ATTN: CRIMINAL INVESTIGATIVE DIVISION, FINANCIAL
CRIMES UNIT; [REDACTED])

b6
b7C

FROM : ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
RICO;
FBW;
MF;
TAX EVASION;
TRADEING WITH THE ENEMY
(OO:NY)

ReButel to New York, dated 1/16/84, and NYairtels to
Bureau, dated 3/5/84, and 3/29/84.

Enclosed for the Bureau are the original and one copy of
an FD-515 concerning captioned case, and one copy of an lhm,
dated 3/5/84. Justification for this accomplishment was
contained in the lhm, dated 3/5/84.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

- 3 - Bureau (Encls. 3)
 (1 - Criminal Investigative Division,
 Financial Crimes Unit)
2 - New York

196-1774-285

RVR
(5) RVR:eac

FBI

10.38

TELETYPE

ROUTINE

UNCLAS

5/15/84

ROUTINE
NEW YORK (196A-1774) (P) (M-1)
ROUTINE
~~DIRECTOR FBI (196B-2848)~~

214D

ATTN: [REDACTED] FINANCIAL CRIMES UNIT
BT
UNCLAS

b6
b7c

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYAIRTEL TO THE DIRECTOR, DATED MARCH 5, 1984.

ON [REDACTED]

[REDACTED] APPEARED BEFORE UNITED STATES DISTRICT COURT JUDGE
LEONARD SAND, SDNY, REGARDING THE [REDACTED]

b3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7c

- 1 - New York
- 1 - Supervisor M-1

RVR
RVR:sjj018V1
(2)

Approved: LFL/mur

Transmitted

128/741

Per

196-1774-286

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

b6
b7c

WP Initials: pk

RVR

[REDACTED]
REGARDING THE [REDACTED]

SDNY, ADVISED THAT THERE [REDACTED]
[REDACTED]

ANOTHER HEARING IS SCHEDULED
AUSA [REDACTED]

b3

VZCZCNY0741.

RR HQ

DE NY #0128 1362052

ZNY UUUUU

R 151754Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) ROUTINE

ATTN: [REDACTED]

FINANCIAL CRIMES UNIT

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; CC: NEW YORK

RENYAIRTEL TO THE DIRECTOR, DATED MARCH 5, 1984.

ON [REDACTED]

[REDACTED] APPEARED BEFORE UNITED STATES DISTRICT COURT JUDGE

b3

LEONARD SAND, SDNY, REGARDING THE [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196-1774-284
JG
MAY 16 1984
FBI-NEW YORK
mm

PAGE TWO DE NY 0128 UNCLAS

[REDACTED] ANOTHER HEARING IS SCHEDULED

REGARDING THE [REDACTED]

AUSA [REDACTED]

b3

SDNY, ADVISED THAT THERE [REDACTED]
[REDACTED]

BT

#0128

Memorandum



To : ADIC, NEW YORK (196A-1774)

Date 5/18/84

From : SA [redacted] (M-1) b6
b7C

Subject : MARC RICH-FUGITIVE;
ET AL
RICO; FBW; MF
(OO:NY)

On 5/17/84, [redacted] (Protect Identity) (PI), [redacted]
[redacted] New York

b6
b7C
b7D
advised he has recently been contacted by [redacted]
[redacted]

b6
b7C
b7D
[redacted] (PI) stated [redacted]
[redacted]

b6
b7C
b7D
Contact will be maintained with [redacted] (PI) as long as there
[redacted]
[redacted]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

1 196A-1774 b7D
1 [redacted]
JCM/jcm

b6
b7C

196-1774-387

je 9
18 1334

med

[redacted] Pls. discuss with [redacted]
so we don't have a recurrence of
recent problems on this matter. MUPJ

[redacted]

RVR

b6
b7C

FD-36 (Rev. 5-22 78)

FBI

TELETYPE

PRIORITY

UNCLAS

5/18/84

10.015

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

~~DIRECTOR FBI (196B-2848)~~ 0055

ATTN: [REDACTED]

FCU

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FBW; MF; TAX
EVASION; TRADING WITH ENEMY.

RENYTEL TO BUREAU. DATED APRIL 20, 1984. SA [REDACTED]
ADVISED FROM [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (S) (U)

2-22-01
CLASSIFIED BY: [REDACTED]
DECLASSIFY ON: X 1,6

b6
b7C

1 - New York
1 - Supervisor M-1
RVR:gmh055Vl
(2)

196-1774-288

Approved: LFL/T.P.P. Transmitted 161/63 Per 2

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials [Signature]

b6
b7C

[REDACTED]

RVR

b6
b7C
b7D
b7F
b7E

[REDACTED]
[REDACTED] (S) SA (U)
[REDACTED]
[REDACTED]
[REDACTED] (S) (U)

b7D
b7F
b7E

Request of Bureau
SA [REDACTED] IS WAITING FOR FURTHER DETAILS FROM A [REDACTED] SOURCE. NY
WILL KEEP FBIHQ ADVISED OF REQUEST OF FURTHER BUREAU DETAILS:
DISSEMINATE TO LEGAT, BERN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] (S) (U)
PROTECT SOURCE'S IDENTITY.

b6
b7C
b7D
b7F

b6
b7C

VZCZCNY0763

PP FQ

DE NY #2161 1402349

ZNY UUUUU

R 190211Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196P-2848) PRIORITY

ATTN: [REDACTED] FCU b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FFW; MF; TAX
EVASION; TRADING WITH ENEMY.

RENYTEL TO BUREAU, DATED APRIL 20, 1984, SA [REDACTED]

ADVISED FROM [REDACTED]

b6
b7C
b7D
b7F
b7E

(S) (U)

196-1774-288

MAY 20 1984

IRUR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE

2-22-01
CLASSIFIED BY: [REDACTED]
DECLASSIFY ON: X 15 (C)

PAGE TWO DE NY 0161 UNCLAS

[REDACTED]
[REDACTED] SA
[REDACTED] (S) (U)

b6
b7C
b7D
b7F
b7E

[REDACTED]
[REDACTED]
[REDACTED] (S) (U)

b7D
b7F
b7E

SA [REDACTED] IS WAITING FOR FURTHER DETAILS FROM A [REDACTED] SOURCE. NY
WILL KEEP FBIHQ ADVISED OF FURTHER DETAILS.

REQUEST OF BUREAU

b6
b7C
b7D
b7F

DISSEMINATE TO LEGAT, BERN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] (S) (U)
PROTECT SOURCE'S IDENTITY.

BT

#0161

10:00

FBI

TELETYPE

PRIORITY

UNCLAS

5/22/84

PRIORITY

NEW YORK (196A-1774)(P)(M-1)

PRIORITY

~~WASHINGTON FIELD (196A-NEW)~~ 15702

(HAND CARRY TO SA [REDACTED] CI-6)

b6
b7C

BT

UNCLAS

b6
b7C

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH
AND CO., A.G.; RICO; MF; FBW; TAX EVASION; TRADING WITH THE ENEMY;
OO:NY

REFERENCE TELCALL FROM SSA [REDACTED]

[REDACTED] WFO, ON MAY 22, 1984.

NY, NY, TO SA

b6
b7C

[REDACTED]

b7E
b7D

- 1 - New York
- 1 - SUPERVISOR #M-1

DR:ems009V3
(2)

- 1 - Supervisor > 2-22-01 [REDACTED]

b6
b7C

[REDACTED]

RVR

Approved: [Signature] Transmitted 106 Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD

[REDACTED]

b7E
b7D

IDENTIFICATION DATA RE SUBJECTS ARE AS FOLLOWS:

MARC RICH; DOB-DECEMBER 18, 1934; POB-ANTWERP, BELGIUM;
HAIR-BLACK; EYES-BROWN; HEIGHT-FIVE FEET TEN INCHES; FATHER-DAVID
REICH; POB-PRZEMSL, POLAND; DOB-SEPTEMBER 17, 1902.

PINCUS GREEN DOB-[REDACTED] HEIGHT-FIVE FEET TEN
INCHES; WEIGHT-180 POUNDS; POB-[REDACTED] NEW YORK; HAIR-BROWN;
EYES-GREEN.

b6
b7C

LEAD:

WASHINGTON FIELD. AT WASHINGTON D.C. [REDACTED]

[REDACTED]
[REDACTED] CONTACT SSA [REDACTED] NEW
YORK, EXTENSION [REDACTED] TO DETERMINE THE MOST EXPEDITIOUS METHOD OF
FORWARDING TO NEW YORK.

b6
b7C
b7E

b6
b7C

VZCZCNY0106

PP WFO

DE NY #0106 1441502

ZNY UUUUU

R 231413Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO FBI WASHINGTON FIELD (196A-WEE) PRIORITY

ATTN: HAND CARRY TO SA [REDACTED] -CI-6

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC

b6
b7C

RICH AND CO., -A.C.; PICO; ME; FEN; TAX EVASION; TRADING WIRE THE
ENEMY; OO:NY

PREFERENCE BELCALL FROM SS1 [REDACTED] -NY, NY, -TO SA

b6
b7C

[REDACTED] -WFO, -ON MAY 22, -1934.

96-1774-289

b7E
b7D

mm

PAGE TWO DE NY 0136 UNCLAS

b7E

b7D

IDENTIFICATION DATA OF SUBJECTS ARE AS FOLLOWS:

MARC RICH; DOB-DECEMBER 13, 1934; POB-ANTWERP, BELGIUM;
HAIR-BLACK; EYES-BROWN; HEIGHT-FIVE FEET TEN INCHES; FATHER-DAVID
REICH; POB-PRZEMSL, POLAND; DOB-SEPTEMBER 17, 1932.

PINCUS GREEN DOB-[REDACTED] HEIGHT-FIVE FEET TEN
INCHES; WEIGHT-130 POUNDS; POB-[REDACTED] NEW YORK; HAIR-BROWN;
EYES-GREEN.

b6
b7C

LEAD:

WASHINGTON FIELD. AT WASHINGTON D.C. [REDACTED]

b6
b7C
b7E

[REDACTED]
[REDACTED] CONTACT SSA [REDACTED] NEW
YORK, EXTENSION [REDACTED] TO DETERMINE THE MOST EXPEDITIOUS METHOD OF
FORWARDING TO NEW YORK.

PAGE THREE DE NY 0106 UNCLAS

BT

#0106

b6
b7C

FD-36 (Rev. 5-22-73)

FBI

TELETYPE

IMMEDIATE

~~SECRET~~

5/24/84

10.004

IMMEDIATE

NEW YORK (196A-1774) (P) (M-1)

IMMEDIATE

DIRECTOR-FBI (196B-2848) 17462

ATTN: [redacted]

FCU

NEW HAVEN (J) /

ATTN: SA [redacted]

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FBW; MF; TAX
EVASION; TRADING WITH THE ENEMY, OO: NY.

RENYTELS TO BUREAU, DATED MAY 8, 1984, AND MAY 18, 1974, AND
NEW YORK SUPV. [redacted] TELCALs TO FBIHQ SUPV. [redacted] MAY 22, 1984, MAY
23, 1984, AND MAY 24, 1984.

b6
b7C

2-23-01

b6
b7C

1 - New York
1 - Supervisor M-1
WMM:gmh032V1
(2)

Approved: LFC/B

Transmitted 17462

Per mul

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: llm

b6
b7C

RVR

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

THE PURPOSE OF THIS COMMUNICATION IS TO PROVIDE BUREAU AND RECEIVING OFFICES WITH A SUMMARY OF DEVELOPMENTS IN CAPTIONED MATTER. IN ADDITION, AUTHORITY IS BEING REQUESTED FOR ADDITIONAL NECESSARY [REDACTED] NEW YORK (NY) SPECIAL AGENT (SA) [REDACTED]

[REDACTED] AND NEW HAVEN SA [REDACTED]

b6
b7C
b7E

REFERENCED MAY 8, 1984, TELETYPE NOTED [REDACTED]

b6
b7C
b7D
b7F
b7E

(S) (U)

(S) (U)

b6
b7C
b7D
b7F
b7E

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

BUREAU AGENTS AND [REDACTED] SOURCE WERE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

[REDACTED]

[REDACTED]

(~~S~~) (U)

b6
b7C
b7D
b7F
b7E

(U)

b7D
b7F
b7E

BASED ON

b6
b7C
b7D
b7F
b7E

DURING PERIOD OF

b6
b7C
b7D
b7F
b7E

(U)

b6
b7C
b7D
b7F
b7E

[Redacted]
[Redacted] (S) (U)

PRIOR TO

[Redacted]
[Redacted] (S) (U)

b6
b7C
b7D
b7F
b7E

DURING

[Redacted]
[Redacted] (S) (U)

b6
b7C
b7D
b7F
b7E

[Redacted]

b6
b7C
b7D
b7F
b7E

[Redacted] (S) (U)

ON

[Redacted]

[Redacted]

b6
b7C
b7D
b7F

[Redacted] (S) (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

LEGAT, BONN, WAS TELEPHONICALLY PROVIDED WITH THIS INFORMATION
ON MAY 23, 1984.

IN REGARD TO

[REDACTED]

[REDACTED]

b7E
b7D

ON

[REDACTED]

[REDACTED]

b6
b7C
b7E
b7D

[REDACTED]

b7E
b7D

[REDACTED]

THE FOLLOWING IS A SUMMARY OF AREAS
DISCUSSED.

[REDACTED]

b6
b7C
b7D

[REDACTED]

b6
b7C
b7E
b7D

[Redacted]

[Redacted]

[Redacted]

[Redacted]

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

[Redacted]

b7E
b7D

[Redacted]

(S) (U)

b6
b7C
b7D
b7F
b7E

[Redacted]

(S) (U)

[Redacted]

[Redacted]

b6
b7C
b7E
b7D

IN REGARD TO

[Redacted]

[Redacted]

b6
b7C
b7E
b7D

[Redacted]

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

[REDACTED]
[REDACTED] (S) (U)
DURING ALL [REDACTED]
[REDACTED] (S) (U)

b7D
b7F
b7E

UPON [REDACTED]
[REDACTED]
[REDACTED] (S) (U)

b7D
b7F
b7E

REQUEST OF THE BUREAU

IN VIEW OF THE ABOVE, BUREAU IS REQUESTED TO [REDACTED] (S) (U)

b7E

[REDACTED]

[REDACTED] AS PREVIOUSLY REQUESTED AND [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

IN REGARD TO SA [REDACTED] BUREAU IS REQUESTED TO [REDACTED]

[REDACTED]

b6
b7C
b7E
b7D

BUREAU IS REQUESTED TO PROVIDE NY WITH [REDACTED]

[REDACTED] DOB [REDACTED] U.S. ARMY SERIAL NUMBER [REDACTED] SA [REDACTED]

[REDACTED]

b6
b7C
b7E

✓
remove 0
5/8 add.

BUREAU IS REQUESTD TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN..

ADMINISTRATIVE

[] SOURCE IS [] ~~(S)~~ (U) SOURCE'S IDENTITY MUST BE PROTECTED
AS HE WILL BE IN PHYSICAL DANGER IF HIS IDENTITY IS DIVULGED.

b7D
b7F

~~C BY G-3, DECL. OADR.~~

b6
b7C

VZCZCNY0334

00 HQ NH

DE NY #0126 145172Z

ZNY SSSSS

R 241710Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2849) IMMEDIATE

ATTN: [REDACTED] FCU

FBI NEW HAVEN IMMEDIATE

b6
b7C

ATTN: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 3

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FFW; MF; TAX
EVASION; TRADING WITH THE ENEMY, OO: NY.

RENYTELS TO BUREAU, DATED MAY 8, 1984, AND MAY 18, 1974, AND
NEW YORK SUPV. [REDACTED] TELICALS TO FBIHQ SUPV. [REDACTED] MAY 22, 1984, MAY
23, 1984, AND MAY 24, 1984.

b6
b7C

2-23-01
CLASSIFIED BY [REDACTED]
EX-15 (C)
DECLASSIFY ON: X1

b6
b7C

196-1774-290

mm

PAGE TWO DE NY 0125 ~~SECRET~~ SECTION 1 OF 3

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

THE PURPOSE OF THIS COMMUNICATION IS TO PROVIDE BUREAU AND
RECEIVING OFFICES WITH A SUMMARY OF DEVELOPMENTS IN CAPTIONED
MATTER. IN ADDITION, AUTHORITY IS BEING REQUESTED FOR ADDITIONAL
NECESSARY [REDACTED] NEW YORK (NY) SPECIAL AGENT (SA) [REDACTED]

[REDACTED] AND NEW HAVEN SA [REDACTED]
[REDACTED]

b6
b7C
b7E

REFERENCED MAY 8, 1984, TELETYPE NCTED [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F
b7E

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

BUREAU AGENTS AND [REDACTED] SOURCE WERE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

[REDACTED]
[REDACTED]

b6
b7C
b7D
b7F
b7E

(~~S~~) (U)

PAGE FOUR DE NY 0125 ~~SECRET~~ SECTION 1 OF 3

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

BASED ON

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

DURING PERIOD OF

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

PAGE FIVE DE NY 0125 ~~SECRET~~ SECTION 1 OF 3

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

PRIOR TO

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

DURING

[REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F
b7E

PAGE SIX DE NY 0125 ~~SECRET~~ SECTION 1 OF 3

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

ON

b6
b7C
b7D
b7F

~~(S)~~ (U)

RT

#0125

VZCZCNY0335

OO HQ NH

DE NY #0129 1451720

ZNY SSSSS

R 241710Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) IMMEDIATE

FBI NEW HAVEN IMMEDIATE

BT

~~SECRET~~ SECTION 2 OF 3

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

PAGE TWO DE NY 0126 ~~SECRET~~ SECTION 2 OF 3

LEGAT, BONN, WAS TELEPHONICALLY PROVIDED WITH THIS INFORMATION
ON MAY 23, 1984.

IN REGARD TO

[REDACTED]

[REDACTED]

b7E
b7D

ON

[REDACTED]

[REDACTED]

b6
b7C
b7E
b7D

[REDACTED]

THE FOLLOWING IS A SUMMARY OF AREAS
DISCUSSED.

PAGE THREE DE NY 0126 ~~SECRET~~ SECTION 2 OF 3

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

PAGE FOUR DE NY 0126 ~~SECRET~~ SECTION 2 OF 3

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

b6
b7C
b7E
b7D

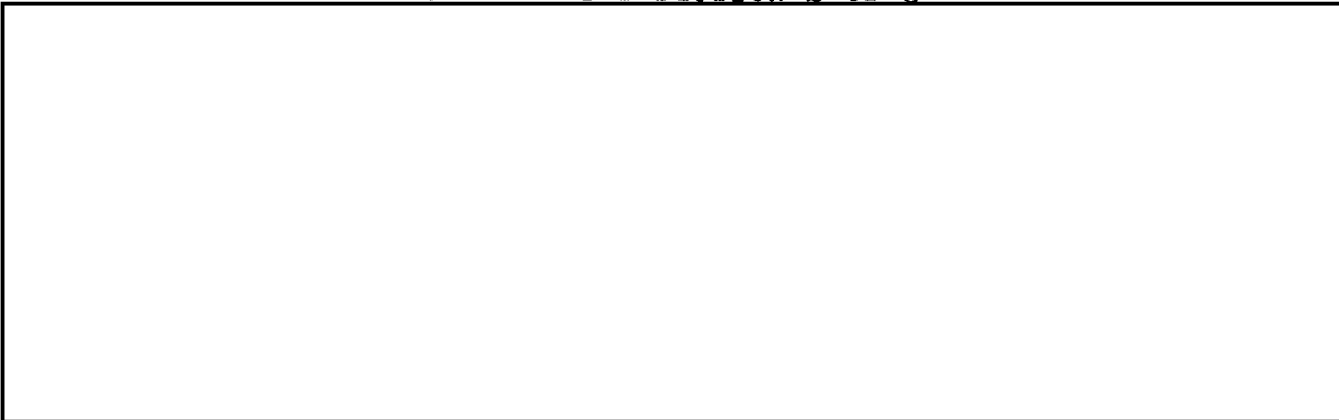
PAGE FIVE DE NY 0126 ~~SECRET~~ SECTION 2 OF 3

b7E
b7D

(S)(U)

b6
b7C
b7D
b7F
b7E

PAGE SIX DE NY 0126 ~~SECRET~~ SECTION 2 OF 3




b6
b7C
b7E
b7D

IN REGARD TO



b6
b7C
b7E
b7D



b6
b7C
b7E
b7D

BT

#0126

VZCZCNY0736

OO HQ NH

DE NY #0128 1451720

ZNY SSSSS

R 241710Z MAY 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (106B-2848) IMMEDIATE

FBI NEW HAVEN IMMEDIATE

BT

~~SECRET~~ SECTION 3 OF 3

b6
b7C
b7E
b7D

DURING ALL

b7D
b7F
b7E

PAGE TWO DE NY 0127 ~~SECRET~~ SECTION 3 OF 3

UPON [REDACTED]

b7D
b7F
b7E

REQUEST OF THE BUREAU

IN VIEW OF THE ABOVE, BUREAU IS REQUESTED TO [REDACTED]

b6
b7C
b7D
b7F
b7E

(S) (U)
AS PREVIOUSLY REQUESTED AND

PAGE THREE DE NY 0127 ~~SECRET~~ SECTION 3 OF 3

[REDACTED] b7E

IN REGARD TO SA [REDACTED] BUREAU IS REQUESTED TO [REDACTED]

[REDACTED]

b6
b7C
b7E
b7D

BUREAU IS REQUESTED TO PROVIDE NY WITH [REDACTED]

[REDACTED] DOB [REDACTED]

U.S. ARMY SERIAL NUMBER

[REDACTED] SA

b6
b7C
b7E

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, EONN AND EERN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED]

(S) (U)

SOURCE'S IDENTITY MUST BE PROTECTED

b7D
b7E

PAGE FOUR DE NY 0127 ~~SECRET~~ SECTION 3 OF 3

AS HE WILL BE IN PHYSICAL DANGER IF HIS IDENTITY IS DIVULGED.

~~C BY C 3; DECI. OADR.~~

BT

#0127

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

DATE:

MAY 25 1984

TO : SAC, HOUSTON (196B-881)

FROM : ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL
RICO; MF;
FBW - TAX EVASION;
TRADING WITH THE ENEMY
(OO: NY)

ReHOairtel to NY, dated 10/21/81.

Enclosed are five original and five copies of trial subpoenas.

Trial of subjects is scheduled for [redacted] in the Southern District of New York. AUSA [redacted] SDNY, requested trial subpoenas to be served on:

- 1.)
- 2.)
- 3.)
- 4.)
- 5.)

[redacted]

b6
b7C

AUSA [redacted] further requested an agent from the Houston Division [redacted] to assist him one day in searching for [redacted]. AUSA [redacted] will travel to Houston in the near future and provide more details.

b6
b7C

AUSA [redacted] requested the above subpoenas to be served as expeditiously as possible since these individuals may be uncooperative.

2 - Houston (Encls. 10)

① - New York

RVR:btm btm
(4)

RECEIVED
FBI NEW YORK
MAY 23 1984
[redacted]

b6
b7C

196-1774-291
MAY 25 1984
[redacted] mut

NY 196A-1774

LEAD

HOUSTON

 TEXAS. Serve the five enclosed trial
subpoenas.

b6
b7C

VZCZCHQ0976

RR NY

DE HQ #0001 1590327

ZNY SSSSS

R 070015Z JUN 84

FM DIRECTOR FBI

TO FBI NEW YORK ROUTINE

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL

LIMITED, AKA "CLARENDON A.G."; RICO; FBW; MF; TAX EVASION;

TRADING WITH THE ENEMY; OO: NY

BY TELETYPE DATED 6/6/84 LEGAT PARIS ADVISED:

THIS COMMUNICATION IS ~~CLASSIFIED "SECRET" IN ITS~~
~~ENTIRETY.~~

REPARTEL OF 2/10/84.

NEW YORK IS REQUESTED TO ADVISE OF ANY ADDITIONAL
INVESTIGATION FOR PARIS.

b6
b7C

~~C-DE G-5 DECL:OADR.~~

ON 2-23-01 [REDACTED]

BT

#0001

b6
b7C

198-1774-292

SEARCHED	INDEXED
SERIALIZED	FILED
M-10	
JUN 7 1984	
[REDACTED]	
KVR	

Memorandum



To : ADIC, NEW YORK

Date 6/8/84

From : SA [REDACTED]

(M-1)

b6
b7C

Subject : MARC RICH - FUG.
ET AL
RICO; MF
OO: NY

On 6/7/84, [REDACTED]

(Protect

Identity) PI, [REDACTED]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED]

1- 196A-1774

b6
b7C

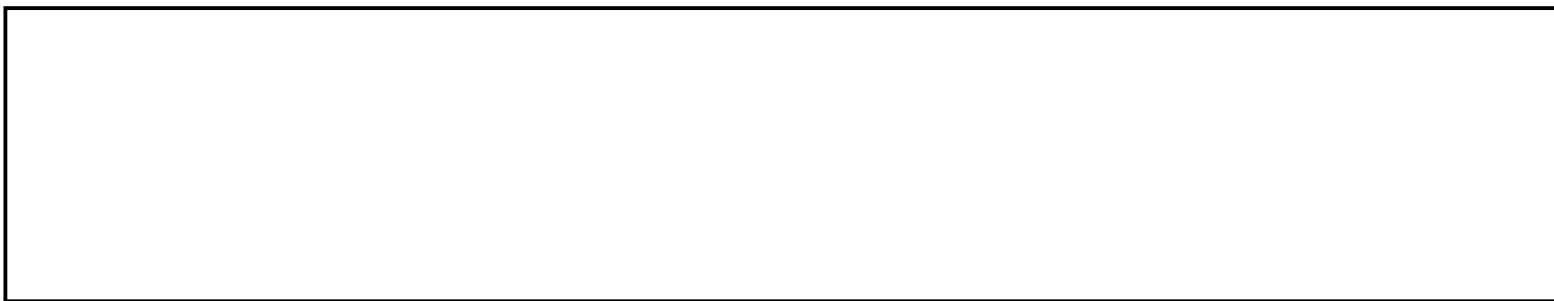
b7D

196-1774-293

11 1394

RUR

b6
b7C
b7D



2*

b6
b7C

~~10/22~~
10.22

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

6/8/84

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN
OTHERWISE~~

PRIORITY
NEW YORK (196A-1744) (P) (M-1)

PRIORITY

~~DIRECTOR, FBI ()~~

b6
b7C

ATTN: [REDACTED]

FCU

~~NEW HAVEN ()~~

ATTN: SPECIAL AGENT [REDACTED]

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY

RENYTEL, DATED MAY 24, 1984; NYTELCALS TO LEGAT BONN, DATED
JUNE 7, 1984.

- 1 - New York
- 1 - Supervisor M-1

RVR:wjr054V1
(2)

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (CD)
DECLASSIFY ON: X16

b6
b7C

Approved: [Signature]

Transmitted

Per [Signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: A.G.

FOR INFORMATION OF BUREAU, LEGAT BONN AND NEW HAVEN, A [REDACTED]
SOURCE HAS [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

REFERENCED TELETYPE NOTED [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

ON [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

DURING THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

ALSO DURING THIS

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

FOR INFORMATION OF RECEIVING OFFICES, THIS

[REDACTED]

[REDACTED]

(U)
(~~S~~)

b6
b7C
b7D
b7F



b6
b7C
b7D
b7F

[redacted] (~~S~~)(U)

b6
b7C
b7D
b7F

ON JUNE 7, 1984, SOURCE LEARNED

[redacted]

[redacted]

[redacted]

(~~S~~)(U)

b6
b7C
b7D
b7F

(S) (U)

IN REFERENCED NEW YORK TELEPHONE CALLS TO LEGAT. BONN. NEW YORK
WAS ADVISED THAT

b7D
b7F
b7E

(S) (U)

BASED ON ABOVE, IT IS PROBABLE THAT EITHER A

(S) (U)

b6
b7C
b7D
b7F
b7E

[REDACTED]
[REDACTED] ALSO, IN EITHER EVENT, IT WILL BE
NECESSARY FOR [REDACTED]
[REDACTED] (S) (U)

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT BONN AND LEGAT BERN. LEGAT BONN IS REQUESTED TO MAKE
PRELIMINARY CONTACTS WITH [REDACTED]
[REDACTED] DISCUSSED IN REFERENCED
TELEPHONE CALLS. (S) (U)

b7E
b7D

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] (S) (U)
SOURCE'S IDENTITY MUST
BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF HIS IDENTITY IS
DIVULGED.

b7D
b7F

~~C BY G-3, DECL. OADR.~~

b6
b7C

VZCZCNY0219

PP EQ NF

DE NY #0149 1610219

ZNY SSSSS

R 082454Z JUN 84

FM FBI NEW YORK (196A-1744) (P) (M-1)

TO DIRECTOR FBI PRIORITY

ATTN: [REDACTED] FCU

b6
b7C

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

MARC RICH - FUGITIVE; PINGUS GREEN - FUGITIVE; ET AL; RICO; FBW; MF;
TAX EVASION; TRADING WITH THE ENEMY; CO: NEW YORK

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL, DATED MAY 24, 1984; NYTELCALS TO LEGAT BONN, DATED
JUNE 7, 1984.

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

196-1774-694

[REDACTED]

RUR

PAGE TWO DE NY 0149 ~~SECRET~~ SECTION 1 OF 2

FOR INFORMATION OF BUREAU, LEGAT BCNN AND NEW HAVEN, A [REDACTED]

SOURCE HAS [REDACTED]

b6
b7C
b7D
b7F

(S)(U)

REFERENCED TELETYPE NOTED [REDACTED]

b6
b7C
b7D
b7F

(S)(U)

ON [REDACTED]

b6
b7C
b7D
b7F

(S)(U)

PAGE THREE DE NY 0149 ~~SECRET~~ SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

ALSO DURING THIS

b6
b7C
b7D
b7E

~~(S)~~ (U)

PAGE FOUR DE NY Ø149 ~~SECRET~~ SECTION 1 OF 2

FOR INFORMATION OF RECEIVING OFFICES, THIS

b6
b7C
b7D
b7F

~~(S)~~ (U)

PAGE FIVE DE NY 0149 ~~SECRET~~ SECTION 1 OF 2

ON JUNE 7, 1984, SOURCE LEARNED FROM [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

IN REFERENCED NEW YORK TELEPHONE CALLS TO LEGAT, BONN, NEW YORK
WAS ADVISED THAT [REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

~~X~~

PAGE SIX DE NY 0149 ~~SECRET~~ SECTION 1 OF 2

b7D
b7F
b7E

~~(S)~~ (U)

BASED ON ABOVE, IT IS PROBABLE THAT EITHER A

b6
b7C
b7D
b7F
b7E

ALSO, IN EITHER EVENT, IT WILL BE

NECESSARY FOR

~~(S)~~ (U)

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT BONN AND LEGAT BERN. LEGAT BONN IS REQUESTED TO MAKE
PRELIMINARY CONTACTS WITH

b7E
b7D

DISCUSSED IN REFERENCED

~~(S)~~ (U)

BT

#0149

VZCZCNY0220

PP HQ NH

DE NY #2150 1610219

ZNY SSSSS

R 082454Z JUN 84

FM FBI NEW YORK (196A-1744) (P) (M-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED]

~~(S)~~ (U)

SOURCE'S IDENTITY MUST

b7D

b7F

BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF HIS IDENTITY IS
DIVULGED.

~~G BY G 3; DECI: OADR.~~

BT

#0150

~~SECRET~~

b6
b7C FBI

90.27

TELETYPE

ROUTINE

~~SECRET~~

6/11/84

ROUTINE
NEW YORK (196A-1774) () (P) () (M-1)
ROUTINE
~~DIRECTOR FBI (196B-2848)~~ 16402
BT
~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL, RICO; FBW; MF; TAX
EVASION; TRADING WITH THE ENEMY, OO: NEW YORK.

THIS COMMUNICATION IS ~~CLASSIFIED "SECRET"~~.

REFERENCE TELETYPE FROM THE BUREAU TO NEW YORK, DATED JUNE 7,
1984.

NO FURTHER INVESTIGATION IS REQUESTED OF PARIS AT THIS TIME
SINCE THE [REDACTED]

b7E

1 - New York
1 - Supervisor M-1
RVR:mc053V1
(2)

196-1774-295

6/13/84

Approved: LFL/DW Transmitted 106/326 Per [REDACTED]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: clm

DECLASSIFIED
ON 2-23-01
CDRU# 01-081

b6
b7C

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, PARIS.

✓ ~~C-34 G-3; Decl. OADR.~~

b6
b7C

VZCZCNY0326

RR HQ

DE NY #0106 1641632

ZNY SSSSS

R 121533Z JUN 84

FM FBI NEW YORK (196A-1774) (P) () (M-1)

TO DIRECTOR FBI (196B-2848) ROUTINE

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL, RICO; EBW; ME; TAX
EVASION; TRADING WITH THE ENEMY, OO: NEW YORK.

THIS COMMUNICATION IS ~~CLASSIFIED "SECRET"~~.

REFERENCE TELETYPE FROM THE BUREAU TO NEW YORK, DATED JUNE 7,
1984.

NO FURTHER INVESTIGATION IS REQUESTED OF PARIS AT THIS TIME
SINCE THE [REDACTED]

b7E

196-1774-2965

g

g

13 1984

~~DECLASSIFIED BY~~
~~2-23-01~~

[REDACTED]

b6
b7C

RVR

PAGE TWO DE NY 0106 ~~SECRET~~

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, PARIS.

~~C BY G-3; DECL. OADR.~~

BT

#0106

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 51

Page 57 ~ Referral/Direct;
Page 58 ~ Referral/Direct;
Page 59 ~ Referral/Direct;
Page 138 ~ Referral/Direct;
Page 139 ~ Referral/Direct;
Page 140 ~ Referral/Direct;
Page 141 ~ Referral/Direct;
Page 142 ~ Referral/Direct;
Page 143 ~ Referral/Direct;
Page 144 ~ Referral/Direct;
Page 145 ~ Referral/Direct;
Page 146 ~ Referral/Direct;
Page 147 ~ Referral/Direct;
Page 148 ~ Referral/Direct;
Page 149 ~ Referral/Direct;
Page 150 ~ Referral/Direct;
Page 151 ~ Referral/Direct;
Page 152 ~ Referral/Direct;
Page 153 ~ Referral/Direct;
Page 154 ~ Referral/Direct;
Page 155 ~ Referral/Direct;
Page 156 ~ Referral/Direct;
Page 157 ~ Referral/Direct;
Page 158 ~ Referral/Direct;
Page 159 ~ Referral/Direct;
Page 160 ~ Referral/Direct;
Page 161 ~ Referral/Direct;
Page 162 ~ Referral/Direct;
Page 163 ~ Referral/Direct;
Page 164 ~ Referral/Direct;
Page 165 ~ Referral/Direct;
Page 166 ~ Referral/Direct;
Page 167 ~ Referral/Direct;
Page 168 ~ Referral/Direct;
Page 169 ~ Referral/Direct;
Page 170 ~ Referral/Direct;
Page 171 ~ Referral/Direct;
Page 172 ~ Referral/Direct;
Page 173 ~ Referral/Direct;
Page 174 ~ Referral/Direct;
Page 175 ~ Referral/Direct;
Page 176 ~ Referral/Direct;
Page 177 ~ Referral/Direct;
Page 178 ~ Referral/Direct;
Page 179 ~ Referral/Direct;
Page 180 ~ Referral/Direct;
Page 181 ~ Referral/Direct;
Page 182 ~ Referral/Direct;

Page 183 ~ Referral/Direct;
Page 184 ~ Referral/Direct;
Page 185 ~ Referral/Direct;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

196-1774-296

Qu 9
18 133

FBI-NEW YORK

MMW

~~SECRET~~



b6
b7C

To : ADIC, NEW YORK (196A-1774) Date 6/15/84
(M-1) (P)

From : SA [redacted]

b6
b7C

Subject :
MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE
ET AL

RICO: FBW: MF: TAX EVASION: TRADING WITH THE ENEMY
OO: NY

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

On 6/14/84 SA [redacted] advised SA

b6
b7C
b7D
b7F

[redacted] that [redacted] (S) informed him
of the following information.

b7D
b7F

[redacted] (Source) advised that [redacted]

[redacted]

[redacted] (S)

The Source then [redacted]

b7D
b7F

[redacted]

DECLASSIFIED BY: [redacted]
REASON: 1.5
DECLASSIFY ON: X
EORU 01-081

b6
b7C
b7D
b7F

~~SECRET~~

Source [redacted]

offered his opinion that the [redacted]

(U)

~~SECRET~~

~~(S)~~ (U)

b7D
b7F

Acting Supervisor [redacted] stated that the Bureau had made the decision that only [redacted] and that in his opinion, the [redacted] would not be productive. SA [redacted] stated that the source [redacted]

b6
b7C
b7D
b7F

make any difference.

ASSA

[redacted]

contracted Co-ordinating Supervisor

[redacted]

for his decision. CS [redacted] stated

that the [redacted] was not allowed.

b6
b7C
b7D
b7F

It should be noted that since SA [redacted] became the case agent on January 22, 1984, he has never met or spoken with the source. SA [redacted] thus has not had the opportunity to completely assess his credibility or direct him properly.

b6
b7C

~~SECRET~~

~~SECRET~~

b6
b7C

NY0802 1712359

OO HQ

DE NH 019

O 0192254 JUN 84

FM ADIC, NEW YORK (196A-1774) (M-1) (P) IMMEDIATE

TO DIRECTOR, FBI (196B-2848)

ATTENTION [REDACTED] FINANCIAL CRIMES UNIT

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH AND COMPANY A.G.; MARC RICH AND COMPANY LIMITED; AKA
CLARENDON; RICO; FBW; MF; TAX EVASION; TRADING; WITH THE ENEMY;
OFFICE OF ORIGIN: NEW YORK.

b6
b7C

RE: 12/5/83 CONFERENCE AT FBIHQ, 12/2/83 LHM PAGE FIVE (5),
6/18/84 TELCALLS FROM ACTING SUPERVISOR [REDACTED]
TO [REDACTED] AND 6/19/84 TELCALLS FROM ACTING SUPERVISOR

b6
b7C

[REDACTED] TO LEGAT, [REDACTED]

AT 9:30 AM ON 6/18/84 [REDACTED] (SOURCE) ADVISED SA [REDACTED]

[REDACTED] NEW YORK DIVISION THAT [REDACTED]

b6
b7C
b7D
b7F

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-21-01

CLASSIFIED BY: [REDACTED]

REASON: 1.5 (E/O)

DECLASSIFY ON: X 1, 6

b6
b7C

196-1774-297

JUL 20 1984

~~SECRET~~

~~SECRET~~

PAGE TWO IMMEDIATE

[REDACTED] BASED ON SOURCE'S [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

AT 10:30 AM ON 6/18/84 ASSISTANT UNITED STATES ATTORNEY

(AUSA) [REDACTED]

ADVISED THAT THE [REDACTED]

b6
b7C
b7E
b7D

[REDACTED] CONTACTED THE [REDACTED]

[REDACTED] WASHINGTON, D.C. AND THIS SECTION HAS MADE

PRELIMINARY CONTACT WITH THE [REDACTED]

~~SECRET~~

~~SECRET~~

PAGE THREE

ON 6/18/84 AT 5:00 PM SA [] WAS ADVISED BY []

b6
b7C
b7D

~~(S)~~ (U)

ON [] THE NEW YORK DIVISION SURVEILLEED []

b7E

~~(S)~~ (U)

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, OTTOWA.

APPROVE THE [] SA [] NEW YORK DIV

b6
b7C
b7D
b7E

ISION, WHO IDENTIFIED []

SA []

SA []

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR IMMEDIATE

[REDACTED] IT IS EXPECTED THAT [REDACTED]

[REDACTED] AND SA [REDACTED]

WOULD BE

ABLE TO [REDACTED]

~~(S)~~ (U)

ADMINISTRATIVE

PROTECT IDENTITY OF SOURCE - [REDACTED]

BT

b6
b7C
b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

196-1774-298

gn g

RVR

b6
b7C

~~CLASSIFIED BY: [redacted]
REASON: 1.5 (8, 2)
DECLASSIFY ON: X1, 6~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]~~

~~SECRET~~

~~SECRET~~

Memorandum

b6
b7C



~~SECRET~~

To : ADIC, NEW YORK
(196A-1774) (M-1) (P)
From : SA [REDACTED]
Subject :

Date 6/20/84

b6
b7C

MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE
ET AL
RICO: FBW: MP: TAX EVASION: TRADING
WITH THE ENEMY
OO. NY

RE: TELCAL FROM SA [REDACTED] TO SA
[REDACTED], JFK RA 6/20/84

b6
b7C

LEAD

b6
b7C
b7E

OBTAIN THE [REDACTED]

[REDACTED]

OK mut 6/20/84

~~SECRET~~

(Mount Clipping in Space Below)

Fining of Marc Rich Upheld

A Federal appeals court yesterday upheld a ruling that required the Marc Rich commodities concern in Switzerland to pay \$50,000 a day in fines for refusing to turn over records in a Government tax-fraud investigation.

Since the fines were imposed by District Judge Leonard B. Sand on Sept. 9, 1983, the Swiss-based parent, Marc Rich & Company A.G., has turned over \$17.56 million to the United States Government.

In August 1983, the Swiss Government, citing its laws on corporate disclosure, seized documents belonging to Rich, saying it wanted to determine whether the company had violated secrecy laws in agreeing to surrender many of its records to a Federal grand jury. The panel was investigating charges that the company evaded United States income taxes on at last \$20 million in profits.

The three-judge appeals panel

noted that, in June 1983, the company moved to vacate Judge Sand's contempt judgment on the ground that Swiss court orders prohibited compliance with the subpoena. The court said Rich was barred from relying on Swiss law or orders of the Swiss Government as an excuse for its noncompliance with the subpoena, because the company's lawyers said earlier that it would not rely on Swiss law to avoid turning over the documents.

Despite its order, the court nonetheless returned this aspect of the case — the noncompliance with the subpoena and the fines — to Judge Sand for a future evidentiary hearing.

Closed End Bond Funds

TUESDAY, JUNE 12, 1984

Unaudited net asset values of closed-end investment bond fund shares, recorded by the companies as of Friday. Also shown is the closing listed market price or a dealer-to-dealer asked price, with the percentage of

(Indicate page, name of newspaper, city and state.)

NEW YORK TIMES

N.Y., N.Y.

Date: 6/12/84
Edition:

Title: MARC RICH

Character: 196A-1774
or

Classification:

Submitting Office:

196A 1774 - 299

JUN 20 1984

FBI - NEW YORK

FBI/DOJ

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

b6
b7C

PRECEDENCE:

☒ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☒ UNCLAS

Date

6/19/84

~~SECRET~~

019

FM ADIC, NEW YORK (196A-1774) (M-1) (P) IMMEDIATE

TO ~~DIRECTOR, FBI (196B-2848)~~

ATTENTION [redacted]

FINANCIAL CRIMES UNIT

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [redacted]

b6
b7C

MARC RICH AND COMPANY A.G.; MARC RICH AND COMPANY LIMITED; aka
CLARENDON; RICO; FBW; MF; TAX EVASION; TRADING WITH THE ENEMY;
OFFICE OF ORIGIN: NEW YORK.

RE: 12/5/83 CONFERENCE AT FBIHQ, 12/2/83 LHM PAGE FIVE (5),
6/18/84 TELCALS FROM ACTING SUPERVISOR [redacted]

b6
b7C

TO [redacted] AND 6/19/84 TELCALS FROM ACTING SUPERVISOR

[redacted] TO LEGAT, [redacted]

~~AT 9:30 AM.~~

At 9:30 AM ON 6/18/84 [redacted]

(SOURCE) ADVISED SA [redacted]

b6
b7C
b7D
b7F

NEW YORK DIVISION THAT [redacted]

Approved: LFL [redacted]

Transmitted: _____

(Number)

(Time)

Per [redacted]

b6
b7C

2-21-01

CLASSIFIED BY [redacted]

REASON: 1.5 (e, d)

DECLASSIFY ON: X 1, 6

~~SECRET~~

RVR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

196-1774-300
Card created
6/19/84
mmmm

FBI

~~SECRET~~

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO IMMEDIATE

[REDACTED] BASED ON SOURCE'S [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

AT 10:30 AM ON 6/18/84 ASSISTANT UNITED STATES ATTORNEY

(AUSA) [REDACTED]

ADVISED THAT THE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] CONTACTED THE [REDACTED]

[REDACTED] WASHINGTON, D.C. AND THIS SECTION HAS MADE

PRELIMINARY CONTACT WITH THE [REDACTED]

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE THREE IMMEDIATE

ON 6/18/84 AT 5:00 PM SA [] WAS ADVISED BY []

b6
b7C
b7D

ON [] THE NEW YORK DIVISION SURVEILLED []

~~(S)~~ (U)

b7E

~~(S)~~ (U)

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, OTTOWA.

APPROVE THE [] SA [] NEW YORK DIVISION,

b6
b7C
b7D
b7E

WHO IDENTIFIED []

SA []

SA []

~~(S)~~ (U)

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

SECRET

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

page THREE

ON 6/18/84 AT 5:00 PM SA []

WAS ADVISED BY []

[]

[] (S) (U)

ON []

THE NEW YORK DIVISION SURVEILLED []

[]

[] (S) (U)

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, OTTOWA.

APPROVE THE [] SA [] NEW YORK DIV-
 ISION, WHO IDENTIFIED []

SA []

[] SA []

WILL DEPART (S) (U)

SECRET

Approved: _____

Transmitted _____

(Number)

(Time)

Per _____

b6
b7C
b7D

b7E

b6
b7C
b7D
b7E

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE FOUR IMMEDIATE

IT IS EXPECTED THAT

AND SA

b6
b7C
b7D
b7F
b7E

BT

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

(Mount Clipping)

Rich to Sell Fox Stake To Davis

By THOMAS C. HAYES

Special to The New York Times

LOS ANGELES, June 19 — Marvin Davis, the Denver oil entrepreneur, has reached an agreement to buy the 50 percent stake of the 20th Century-Fox Film Corporation owned by Marc Rich, the fugitive commodity trader. Mr. Davis currently holds the other 50 percent.

Terms were not disclosed by Fox, which was a public company until 1981, when Mr. Davis and Mr. Rich bought it for \$722 million.

Fox confirmed the existence of the agreement today, saying it had reported it to the Securities and Exchange Commission last week.

The sale would have to be approved by Federal prosecutors, who last fall froze the assets remaining in this country of Mr. Rich's global trading network, which at one time was valued as high as \$10 billion. It was unclear whether the Government was involved in the negotiations between Mr. Davis and Mr. Rich, who is in Switzerland.

Martin Auerbach, an Assistant United States Attorney in the Southern District of New York, declined to comment today on the Government's position. The Federal action freezing the Rich assets was brought in the Southern District.

It was also unclear whether the Government would obtain control of the cash from the sale of the Fox interest held by Mr. Rich.

Since last September, Marc Rich & Company A.G., the Swiss-based parent of the trading network, has been fined at the rate of \$50,000 a day. The fines were imposed on the company for withholding records from a Federal grand jury.

Mr. Davis tried once before to buy

Continued on Page D17

Rich to Sell Fox Stake To Davis

(Continued From First Business Page)

Mr. Rich's Fox interest. But the Government blocked those plans last fall following a five-month period in which Rich interests liquidated about \$750 million in assets in the United States. That was before the remaining assets were frozen.

Charged in September

Mr. Rich and a partner, Pincus Green, were charged in September in what prosecutors said was the biggest case of Federal tax evasion in United States history, amounting to \$48 million. They were also charged with racketeering and with illegally trading with Iran during the hostage crisis of 1979 and 1980.

Federal prosecutors charged that Mr. Rich and Mr. Green had sought to delay the Federal grand jury's investigation of their activities. The two fled to Switzerland, where they remain fugitives.

A trial of the criminal charges against Mr. Rich, Mr. Green and Clyde Meltzer, an associate, is scheduled to begin next Monday in the Southern District.

S.E.C. Filing

The Fox filing with the S.E.C. last week said that the purchase by Mr. Davis "is expected" to be completed this month, if Fox gets the approval of the Government, various courts and banks.

Fox reported the tentative agreement between Mr. Davis and Mr. Rich because regulated corporations are required to disclose significant changes of ownership.

The filing said that Mr. Davis, acting on his own, as a trustee for his children's trust and for the Davis Oil Company, had agreed to purchase all non-voting stock held by Richco Holdings in TCF Holdings, the company Mr. Davis and Mr. Rich created to acquire Fox.

Although privately owned, Fox issues quarterly earnings reports because some of its debt remains publicly traded. In the three months ended Feb. 25, Fox reported income from continuing operations of \$11.3 million, down 76.3 percent from the \$47.7 million reported a year earlier. Revenues fell 59.3 percent, to \$31.7 million, from \$381.3 million.

(Indicate page, name of newspaper, city and state.)

NEW YORK TIMES

N.Y., N.Y.

Date:

Edition:

6/20/84

Title:

MARC RICH

Character:

or

196A-1774

Classification:

Submitting Office:

JUN 20 1984

FBI-NEW

FBI

TELETYPE

PRIORITY

UNCLAS

D. 092

6/20/84

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

~~DIRECTOR FBI (196B-2848)~~

ATTN: [REDACTED]

FCU

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL; RICO; FBW; MF; TAX
EVASION; TRADING WITH THE ENEMY, OO: NY.

RENYTEL TO BUREAU, JUNE 19, 1984.

THE FOLLOWING IS BACKGROUND INFORMATION OF CAPTIONED CASE.

I. BACKGROUND:

MARCH RICH AND PINCUS GREEN ARE UNITED STATES CITIZENS WHO, IN

1 - New York
1 - Supervisor M-1
RVR:gmh015VI
(2)

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

196-1774-302

Approved: LFL/mur3

Transmitted

160/913

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: gmhb6
b7C

FBI - NEW YORK

RVR

1974, FORMED MARC RICH AND COMPANY A.G. ("A.G."). AG IS A SWISS CORPORATION WHICH ENGAGES IN THE WORLDWIDE BUSINESS OF TRADING COMMODITIES, INCLUDING CRUDE OIL. AG TRADES AN ANNUAL VOLUME OF \$10 BILLION, 60 PERCENT OF WHICH REPRESENTS OIL TRADES. AG HAS A WHOLLY-OWNED SUBSIDIARY, MARC RICH AND COMPANY INTERNATIONAL AG WHICH HAS A BRANCH OFFICE IN THE UNITED STATES NAMED MARC RICH AND COMPANY INTERNATIONAL ("INTERNATIONAL"). UNTIL THE SUMMER OF 1983, MARC RICH AND PINCUS GREEN RAN THE OIL TRADING ACTIVITIES OF A.G. AND INTERNATIONAL FROM INTERNATIONAL'S OFFICES IN NEW YORK.

FROM APPROXIMATELY SEPTEMBER, 1980 THROUGH AT LEAST JUNE, 1981, MARC RICH AND PINCUS GREEN SURREPTITIOUSLY MOVED AT LEAST \$100 MILLION OUT OF THE UNITED STATES FROM INTERNATIONAL TO A.G. MOST OF THIS MONEY CONSTITUTED ILLEGAL PROCEEDS FROM DOMESTIC CRUDE OIL TRANSACTIONS WHEREIN MARC RICH AND PINCUS GREEN DEFRAUDED THEIR CUSTOMERS BY UNLAWFULLY OVERCHARGING THEM FOR DOMESTIC CRUDE OIL.

MARC RICH AND PINCUS GREEN DEVISED AN ELABORATE SCHEME TO COVER UP THEIR FRAUD WHEREIN THEY USED TWO THIRD PARTY UNITED STATES COMPANIES; WEST TEXAS MARKETING CORP (WTMC) AND LISTO PETROLEUM (LISTO), TO CONDUCT THEIR BUSINESS AND OSTENSIBLY TO COLLECT THE

ILLICIT PROFITS AND OVERCHARGES ON THEIR BOOKS. MARC RICH AND PINCUS GREEN WOULD THEN REMOVE THESE ILLEGAL PROFITS FROM THE BOOKS OF WPMC AND LISTO BY CREATING SHAM TRANSACTIONS WHERE WPMC AND LISTO WOULD PURPORTEDLY BUY FOREIGN CRUDE OIL FROM AG AND THEN RESELL IT SIMULTANEOUSLY FOR A \$3.00 PER BARREL LOSS TO A PANAMIAN SUBSIDIARY OF A.G.* THE SOLE PURPOSE OF THESE DEALS WAS TO LAUNDER THE ILLEGAL MONEY FROM THE BOOKS OF WPMC AND LISTO OFFSHORE TO A.G.

MARC RICH AND PINCUS GREEN VIOLATED VARIOUS FEDERAL ENERGY LAW REGULATIONS WHICH CONTROLLED THE PRICES AT WHICH CRUDE OIL COULD BE SOLD IN THE UNITED STATES AND RESTRICTED THEIR AVERAGE MARK-UP OR PROFITS TO 20 CENT PER BARREL AS WELL AS EVADED OVER \$48 MILLION IN UNITED STATES TAXES ON THE HIDDEN INCOME.** IN ADDITION TO THE UNITED STATES GOVERNMENT THAT WAS DEFRAUDED OF SUBSTANTIAL TAX REVENUES AND THE PROPER ADMINISTRATION OF ITS ENERGY AND TAX LAWS, VICTIMS OF THIS SCHEME WERE THE CUSTOMERS MARC RICH AND PINCUS GREEN, WHO WERE OVERCHARGED AND THE AMERICAN PUBLIC WHICH ENDED UP PAYING HIGHER GAS AND OIL PRICES.

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SOUTHERN DISTRICT OF NEW YORK CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT. THE

INDICTMENT CHARGES CAPTIONED WITH CONSPIRING TO AND CONDUCTING THEIR COMMODITIES BUSINESS THROUGH A PATTERN OF RACKETEERING INVOLVING THE SCHEMES TO DEFRAUD THEIR CUSTOMERS, THE DOE AND IRS. EACH DEFENDANT IS CHARGED WITH VARIOUS MAIL AND WIRE FRAUD VIOLATIONS REGARDING THESE FRAUD SCHEMES AS WELL AS TAX EVASION. ADDITIONALLY, MARC RICH AND PINCUS GREEN ARE CHARGED WITH ILLEGAL TRADES WITH IRAN DURING THE HOSTAGE CRISES AMOUNTING TO OVER \$200 MILLION.

* THESE TRANSACTIONS WERE MADE TO LOOK LEGITIMATE BY USING INVOICES WHICH SET FORTH REAL TANKERS AND BILLS OF LADING DATES. IN ALMOST EVERY CASE, A.G.'S RECORDS REVEAL THAT THE OIL ON THESE TANKERS WAS ALREADY SOLD BY A.G. TO THIRD PARTIES IN PRESUMABLY LEGITIMATE DEALS AT THE TIME THESE SHARE TRANSACTIONS WERE DONE.

** IT ALSO APPEARS THAT MARC RICH AND PINCUS GREEN WERE EVADING SWISS TAXES BY ARBITRARILY MOVING HUNDREDS OF MILLIONS OF A G.'S PROFITS TO LIQUIN RESOURCES, A PANAMANIAN SUBSIDIARY OF A.G.

THE EVIDENCE IN THIS CASE IS OVERWHELMING AND INCLUDES TESTIMONY FROM EMPLOYEES AND FORMER EMPLOYEES OF MARC RICH AND PINCUS GREEN AS WELL AS FROM VARIOUS THIRD PARTY COMPANIES.

IN LATE AUGUST, 1980, MARC RICH AND PINCUS GREEN CONCEIVED THE AFORE-DESCRIBED SCHEME. MARC RICH [REDACTED]

[REDACTED] INTERNATIONAL AND WPMC DID BUSINESS. RICH PROPOSED THAT [REDACTED] INTERNATIONAL'S PROFIT FROM DOMESTIC CRUDE OIL DEALS IN A "POT" ON WPMC'S BOOKS AND THEREAFTER SEND THE MONEY FROM THE "POT" TO A.G. THROUGH A SERIES OF FICTITIOUS FOREIGN CRUDE OIL DEALS. THE MONEY IN THE "POT" WAS GENERATED IN DEALS WHERE INTERNATIONAL WOULD SELL PRICE CONTROLLED BARRELS TO WPMC IN RETURN FOR EQUAL NUMBERS OF UNCONTROLLED BARRELS AT LARGE DISCOUNTS WHICH COULD THEN BE SOLD FOR HUGE PROFITS. RATHER THAN INVOICE INTERNATIONAL AT THE AGREED UPON DISCOUNTED PRICE, RICH AND GREEN HAD WPMC INVOICE THEM AT THE HIGHER WORLD MARKET PRICE SO AS TO MAKE IT APPEAR THAT INTERNATIONAL HAD PAID THE HIGHER PRICE FOR THE OIL. HOWEVER, WPMC AGREED TO KEEP THE DIFFERENCE BETWEEN THE DISCOUNTS AND HIGH PRICE IN THE "POT" FOR RICH AND GREEN. THE OIL WAS THEN SOLD FOR THE HIGH PRICE TO VARIOUS CUSTOMERS. THE DOE AND THE CUSTOMERS WERE UNAWARE OF THE OVERCHARGES BECAUSE OF THE FALSE INVOICES WHICH COVERED UP THE FACT THAT INTERNATIONAL HAD ACTUALLY PAID LESS FOR THE OIL AND WAS THEREFORE MAKING ILLEGAL PROFITS IN EXCESS OF ITS 20 CENT PER BARREL

b6
b7c

LIMITATIONS. UNDER THE LAW, RICH AND GREEN WERE REQUIRED TO REPORT ALL OVERCHARGES TO THE DOE IN MONTHLY REPORTS CALLED ERA - 69'S AND TO REFUND THE OVERCHARGES TO THEIR CUSTOMERS. RICH AND GREEN FILED FALSE ERA - 69'S FOR THE MONTHS SEPTEMBER, 1980 - JANUARY, 1981 WHICH FRAUDULENTLY HID THEIR PROFITS BEING HELD IN THE LISTO AND WPMC "POTS" AND FAILED TO DISCLOSE THEIR ILLEGAL OVERCHARGES WHICH TOTALLED AT LEAST \$100 MILLION; ACCORDINGLY, THESE OVERCHARGES WERE NOT REPAYED TO THE DEFRAUDED CUSTOMERS.

REQUEST OF THE BUREAU

DISSEMINATE TO LEGAT, OTTAWA.

VZCZCNY0913

PP EQ

DE NY #0160 1722214

ZNY UUUUU

R 202015Z JUN 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATIN: [REDACTED]

FCU

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL; RICO; FBW; MF; TAX
EVASION; TRADING WITH THE ENEMY, OO: NY.

RENYTEL TO BUREAU, JUNE 19, 1984.

THE FOLLOWING IS BACKGROUND INFORMATION OF CAPTIONED CASE.

I. BACKGROUND:

MARCH RICH AND PINCUS GREEN ARE UNITED STATES CITIZENS WHO, IN

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY: [REDACTED]

b6
b7C

196 - 1774 - 302

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN 21 1984	
[REDACTED] YORK	
[REDACTED] RVR	

PAGE TWO DE NY 0160 UNCLAS

1974, FORMED MARC RICH AND COMPANY A.G. ("A.G."). AG IS A SWISS CORPORATION WHICH ENGAGES IN THE WORLDWIDE BUSINESS OF TRADING COMMODITIES, INCLUDING CRUDE OIL. AG TRADES AN ANNUAL VOLUME OF \$10 BILLION, 60 PERCENT OF WHICH REPRESENTS OIL TRADES. AG HAS A WHOLLY-OWNED SUBSIDIARY, MARC RICH AND COMPANY INTERNATIONAL AG WHICH HAS A BRANCH OFFICE IN THE UNITED STATES NAMED MARC RICH AND COMPANY INTERNATIONAL ("INTERNATIONAL"). UNTIL THE SUMMER OF 1983, MARC RICH AND PINCUS GREEN RAN THE OIL TRADING ACTIVITIES OF A.G. AND INTERNATIONAL FROM INTERNATIONAL'S OFFICES IN NEW YORK.

FROM APPROXIMATELY SEPTEMBER, 1980 THROUGH AT LEAST JUNE, 1981, MARC RICH AND PINCUS GREEN SURREPTITIOUSLY MOVED AT LEAST \$100 MILLION OUT OF THE UNITED STATES FROM INTERNATIONAL TO A.G. MOST OF THIS MONEY CONSTITUTED ILLEGAL PROCEEDS FROM DOMESTIC CRUDE OIL TRANSACTIONS WHEREIN MARC RICH AND PINCUS GREEN DEFRAUDED THEIR CUSTOMERS BY UNLAWFULLY OVERCHARGING THEM FOR DOMESTIC CRUDE OIL.

MARC RICH AND PINCUS GREEN DEVISED AN ELABORATE SCHEME TO COVER UP THEIR FRAUD WHEREIN THEY USED TWO THIRD PARTY UNITED STATES COMPANIES; WEST TEXAS MARKETING CORP (WTMC) AND LISTO PETROLEUM

PAGE THREE DE NY 0160 UNCLAS

(LISTO), TO CONDUCT THEIR BUSINESS AND OSTENSIBLY TO COLLECT THE ILLICIT PROFITS AND OVERCHARGES ON THEIR BOOKS. MARC RICH AND PINCUS GREEN WOULD THEN REMOVE THESE ILLEGAL PROFITS FROM THE BOOKS OF WTMC AND LISTO BY CREATING SHAM TRANSACTIONS WHERE WTMC AND LISTO WOULD PURPORTEDLY BUY FOREIGN CRUDE OIL FROM AG AND THEN RESELL IT SIMULTANEOUSLY FOR A \$3.20 PER BARREL LOSS TO A PANAMIAN SUBSIDIARY OF A.G.* THE SOLE PURPOSE OF THESE DEALS WAS TO LAUNDER THE ILLEGAL MONEY FROM THE BOOKS OF WTMC AND LISTO OFFSHORE TO A.G.

MARC RICH AND PINCUS GREEN VIOLATED VARIOUS FEDERAL ENERGY LAW REGULATIONS WHICH CONTROLLED THE PRICES AT WHICH CRUDE OIL COULD BE SOLD IN THE UNITED STATES AND RESTRICTED THEIR AVERAGE MARK-UP OR PROFITS TO 20 CENT PER BARREL AS WELL AS EVADED OVER \$48 MILLION IN UNITED STATES TAXES ON THE HIDDEN INCOME.** IN ADDITION TO THE UNITED STATES GOVERNMENT THAT WAS DEFRAUDED OF SUBSTANTIAL TAX REVENUES AND THE PROPER ADMINISTRATION OF ITS ENERGY AND TAX LAWS, VICTIMS OF THIS SCHEME WERE THE CUSTOMERS MARC RICH AND PINCUS GREEN, WHO WERE OVERCHARGED AND THE AMERICAN PUBLIC WHICH ENDED UP PAYING HIGHER GAS AND OIL PRICES.

PAGE FOUR DE NY 0160 UNCLAS

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SOUTHERN DISTRICT OF NEW YORK CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT. THE INDICTMENT CHARGES CAPTIONED WITH CONSPIRING TO AND CONDUCTING THEIR COMMODITIES BUSINESS THROUGH A PATTERN OF RACKETEERING INVOLVING THE SCHEMES TO DEFRAUD THEIR CUSTOMERS, THE DOE AND IRS. EACH DEFENDANT IS CHARGED WITH VARIOUS MAIL AND WIRE FRAUD VIOLATIONS REGARDING THESE FRAUD SCHEMES AS WELL AS TAX EVASION. ADDITIONALLY, MARC RICH AND PINCUS GREEN ARE CHARGED WITH ILLEGAL TRADES WITH IRAN DURING THE HOSTAGE CRISES AMOUNTING TO OVER \$200 MILLION.

* THESE TRANSACTIONS WERE MADE TO LOOK LEGITIMATE BY USING INVOICES WHICH SET FORTH REAL TANKERS AND BILLS OF LADING DATES. IN ALMOST EVERY CASE, A.G.'S RECORDS REVEAL THAT THE OIL ON THESE TANKERS WAS ALREADY SOLD BY A.G. TO THIRD PARTIES IN PRESUMABLY LEGITIMATE DEALS AT THE TIME THESE SHARE TRANSACTIONS WERE DONE.

** IT ALSO APPEARS THAT MARC RICH AND PINCUS GREEN WERE EVADING SWISS TAXES BY ARBITRARILY MOVING HUNDREDS OF MILLIONS OF A.G.'S PROFITS TO LIQUIN RESOURCES, A PANAMANIAN SUBSIDIARY OF A.G.

PAGE FIVE DE NY 0160 UNCLAS

THE EVIDENCE IN THIS CASE IS OVERWHELMING AND INCLUDES TESTIMONY FROM EMPLOYEES AND FORMER EMPLOYEES OF MARC RICH AND PINCUS GREEN AS WELL AS FROM VARIOUS THIRD PARTY COMPANIES.

IN LATE AUGUST, 1980, MARC RICH AND PINCUS GREEN CONCEIVED THE AFORE-DESCRIBED SCHEME. MARC RICH [REDACTED]

[REDACTED]
[REDACTED] INTERNATIONAL AND WPMC DID BUSINESS. RICH PROPOSED THAT [REDACTED] INTERNATIONAL'S PROFIT FROM DOMESTIC CRUDE OIL DEALS IN A "POT" ON WPMC'S BOOKS AND THEREAFTER SEND THE MONEY FROM THE "POT" TO A.G. THROUGH A SERIES OF FICTITIOUS FOREIGN CRUDE OIL DEALS. THE MONEY IN THE "POT" WAS GENERATED IN DEALS WHERE INTERNATIONAL WOULD SELL PRICE CONTROLLED BARRELS TO WPMC IN RETURN FOR EQUAL NUMBERS OF UNCONTROLLED BARRELS AT LARGE DISCOUNTS WHICH COULD THEN BE SOLD FOR HUGE PROFITS. RATHER THAN INVOICE INTERNATIONAL AT THE AGREED UPON DISCOUNTED PRICE, RICH AND GREEN HAD WPMC INVOICE THEM AT THE HIGHER WORLD MARKET PRICE SO AS TO MAKE IT APPEAR THAT INTERNATIONAL HAD PAID THE HIGHER PRICE FOR THE OIL. HOWEVER, WPMC AGREED TO KEEP THE DIFFERENCE BETWEEN THE DISCOUNTS AND HIGH PRICE IN THE "POT" FOR

b6
b7c

PAGE SIX DE NY 0160 UNCLAS

RICH AND GREEN. THE OIL WAS THEN SOLD FOR THE HIGH PRICE TO VARIOUS CUSTOMERS. THE DOE AND THE CUSTOMERS WERE UNAWARE OF THE OVERCHARGES BECAUSE OF THE FALSE INVOICES WHICH COVERED UP THE FACT THAT INTERNATIONAL HAD ACTUALLY PAID LESS FOR THE OIL AND WAS THEREFORE MAKING ILLEGAL PROFITS IN EXCESS OF ITS 20 CENT PER BARREL LIMITATIONS. UNDER THE LAW, RICH AND GREEN WERE REQUIRED TO REPORT ALL OVERCHARGES TO THE DOE IN MONTHLY REPORTS CALLED ERA - 69'S AND TO REFUND THE OVERCHARGES TO THEIR CUSTOMERS. RICH AND GREEN FILED FALSE ERA - 69'S FOR THE MONTHS SEPTEMBER, 1980 - JANUARY, 1981 WHICH FRAUDULENTLY HID THEIR PROFITS BEING HELD IN THE LISTO AND WTMG "POTS" AND FAILED TO DISCLOSE THEIR ILLEGAL OVERCHARGES WHICH TOTALLED AT LEAST \$100 MILLION; ACCORDINGLY, THESE OVERCHARGES WERE NOT REPAYED TO THE DEFRAUDED CUSTOMERS.

REQUEST OF THE BUREAU

DISSEMINATE TO LEGAT, OTTAWA.

BT

#0160

TP0016 1732216Z

RR NY

DE TP

R 212114Z JUN 84

FM TAMPA (196A-1329)(PRA-S)(P)

TO NEW YORK (196A-1774)(SQ M-1) ROUTINE

BT

UNCLAS

MARK RICH - FUGITIVE; ET AL; FBW - MAIL FRAUD; OO: NEW YORK.
RE TAMPA TELCAL FROM SARASOTA RA TO NEW YORK, SUPERVISOR

JUNE 21, 1984.

THIS DATE, ANONYMOUS MALE CALLER ADVISED SARASOTA RA HE
COULD PROVIDE SPECIFIC INFORMATION RE WHEREABOUTS OF SUBJECT
RICH, WHO WAS LAST KNOWN TO BE IN SWITZERLAND (TWO WEEKS AGO)
LOCATED IN WETTIGEN, ABOUT 21 KILOMETERS OUTSIDE ZURICH. SUB-
JECT IS PERIODICALLY AT A PLACE CALLED ZENTRAL STASSE, PARTIAL
PHONE NUMBER 056.

ACCORDING TO CALLER, ARTHUR HIRSH, 67 YEAR OLD RESIDENT OF
SARASOTA, FLORIDA, WORKS FOR SUBJECT AND RECEIVES MONEY FROM
SUBJECT VIA A SOUTHEAST BANK OF SARASOTA ACCOUNT. THIS MONEY
GOES INTO AN ACCOUNT WHICH IS USED TO PAY HIRSH'S

b6
b7C

b6
b7C

Sarasota Call Agent

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY

b6
b7C

196-1774-303

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 21 1984	
YORK	
TRV	

PAGE TWO TP (136A-1329) UNCLAS

[REDACTED] WHO IS IN THE U.S. ON
A TRAVEL VISA. SHE HAS MOST RECENTLY BEEN POSING AS HIRSH'S
[REDACTED] FOR UNKNOWN REASONS.

b6
b7C

HIRSH IS NOW OUTSIDE THE UNITED STATES, POSSIBLY IN PARIS,
FRANCE OR SWITZERLAND. [REDACTED]

b6
b7C

[REDACTED] IN APPROXIMATELY [REDACTED] DAYS. THEREAFTER, HIRSH [REDACTED]
[REDACTED] ARE TO CONTINUE ON TO [REDACTED] FOR A [REDACTED] DAY STAY.

ALSO, ACCORDING TO THE CALLER, [REDACTED]
[REDACTED] FOR MAILING NUMEROUS DOCUMENTS FROM [REDACTED] POST OFFICE TO
THE SUBJECT IN SWITZERLAND DURING THE RECENT PAST.

b6
b7C

IN A FOLLOW-UP PHONE CALL TO THE FBI IN SARASOTA, CALLER
STATED HE PLANS TO LEAVE THE UNITED STATES IN THE VERY NEAR
FUTURE. HE OFFERED TO ACCOMPANY A BU AGENT TO ITALY, FRANCE OR
GERMANY WHERE THEY WOULD MEET WITH SUBJECT. CALLER WAS INFORMED THAT
THAT ARRANGEMENT COULD NOT BE MADE IN VIEW OF LEGAL RESTRICTIONS.
HE ALSO OFFERED TO TELEPHONICALLY CONTACT THE SUSPECT AND HAVE
THE FBI TAPE THE CONVERSATION IN AN EFFORT TO DETERMINE SUBJECT'S
EXACT WHEREABOUTS. THIS OFFER WAS ALSO DECLINED.

IN VIEW OF CALLERS STATEMENTS, INDICATING HE IS TO LEAVE THE

PAGE THREE TP (136A-1329) UNCLAS

U.S. IMMEDIATELY, IT IS DOUBTFUL HE WILL BE OF FURTHER ASSISTANCE TO NEW YORK AND THEIR INVESTIGATIONS, BUT IN THE EVENT ADDITIONAL PERTINENT INFORMATION IS PROVIDED, IT WILL BE FURNISHED IMMEDIATELY TO NEW YORK.

BT

21 JUN 84

FM TAMPA (156A-1372)(PMA-3)(P)
TO NEW YORK (156A-1774)(82 M-1) ROUTINE
BT
CYCLAS

URGENT RICH - FUGITIVE; ET AL; FPM - MAIL FRAUD; OO: NEW YORK.
RE TAMPA TELCAL FROM SARASOTA RA TO NEW YORK, SUPERVISOR
[REDACTED] JUNE 21, 1984.

b6
b7C

THIS DATE, ANONYMOUS MALE CALLER ADVISED SARASOTA RA HE
COULD PROVIDE SPECIFIC INFORMATION RE WHEREABOUTS OF SUBJECT
RICH, WHO WAS LAST KNOWN TO BE IN SWITZERLAND (TWO WEEKS AGO)
LOCATED IN WETTINGEN, ABOUT 21 KILOMETERS OUTSIDE ZURICH. SUB-
JECT IS PERIODICALLY AT A PLACE CALLED ZENTRAL STASSE, PARTIAL
PHONE NUMBER 856.

ACCORDING TO CALLER, ARTHUR HIRSH, 47 YEAR OLD RESIDENT OF
SARASOTA, FLORIDA, NOTES FOR SUBJECT AND RECEIVES MONEY FROM
SUBJECT VIA A SOUTHEAST BANK OF SARASOTA ACCOUNT. THIS MONEY
GOES INTO AN ACCOUNT WHICH IS USED TO PAY HIRSH'S [REDACTED]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

196-1774-303

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 21 1984	
FBI - NEW YORK	

1

WHO IS IN THE U.S. ON

A TRAVEL VISA. SHE HAS MOST RECENTLY BEEN POSSES AS HIRSH'S
FOR UNKNOWN REASONS.

b6
b7C

HIRSH IS NOW OUTSIDE THE UNITED STATES, POSSIBLY IN PARTS
FRANCE OR SWITZERLAND.

b6
b7C

IN APPROXIMATELY [REDACTED] DAYS. THEREAFTER, HIRSH
ARE TO CONTINUE ON TO [REDACTED] FOR A [REDACTED] DAY STAY.

ALSO, ACCORDING TO THE CALLER, [REDACTED]
FOR MAILING NUMEROUS DOCUMENTS FROM [REDACTED] POST OFFICE TO
THE SUBJECT IN SWITZERLAND DURING THE RECENT PAST.

b6
b7C

IN A FOLLOW-UP PHONE CALL TO THE FBI IN SARASOTA, CALLER
STATED HE PLANS TO LEAVE THE UNITED STATES IN THE VERY NEAR
FUTURE. HE OFFERED TO ACCOMPANY A GO AGENT TO ITALY, FRANCE OR
GERMANY WHERE THEY WOULD MEET WITH SUBJECT. CALLER WAS INFORMED THAT
THAT ARRANGEMENT COULD NOT BE MADE IN VIEW OF LEGAL RESTRICTIONS.
HE ALSO OFFERED TO TELEPHONICALLY CONTACT THE SUSPECT AND HAVE
HIM SET THE CONVERSATION IN IN ORDER TO DETERMINE SUBJECT'S
DRAFT WHEREABOUTS. THIS OFFER WAS ALSO DECLINED.

IN VIEW OF CALLER'S STATEMENTS INDICATING HE IS TO LEAVE THE

744 100-1-3-1 (NY)
U.S. IMMEDIATELY, IT IS REQUESTED THAT YOU WILL BE OF FURTHER ASSISTANCE
TO NEW YORK BUREAU INVESTIGATIONS, BUT IN THE EVENT ADDITIONAL
PERSONNEL ARE REQUIRED, IT WILL BE REQUESTED IMMEDIATELY
TO NEW YORK.

BT

FBI

TELETYPE

PRIORITY

~~SECRET~~

6/22/84

10.006

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI (196B-2848) 01342

ATTN:

FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL, RICO; FBW; MF;
TWE; TAX EVASION, OO: NY.

RENYTEL TO BUREAU, DATED JUNE 19, 1984.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.ON b6
b7C
b7DSPECIAL AGENT (S) (U)1 - New York
1 - Supervisor M-1
DVR:gmh050V1

RVR (2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE2-21-01
CLASSIFIED BY:
REASON: 1.5 (S) 1.6
DECLASSIFY ON: X 1, 6b6
b7C

196-1774-304

Approved: LF4PN Transmitted: 48/1010NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.WP Initials: Q~~SECRET~~

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 25 1984	
NEW YORK	
RVR	

b6
b7C

~~SECRET~~

[redacted] NEW YORK DIVISION. [redacted]
[redacted]
[redacted] (~~S~~) (U)

b6
b7C
b7D

[redacted] SPECIAL AGENT
[redacted]
[redacted] SPECIAL AGENT [redacted]
[redacted] (~~S~~) (U)

b6
b7C
b7D

[redacted]
[redacted]
[redacted] (~~S~~) (U)

b7D

BECAUSE OF THE [redacted]
[redacted]
[redacted] (~~S~~) (U)

b6
b7C
b7D

~~SECRET~~

~~SECRET~~

[REDACTED] IT SHOULD BE NOTED THAT AT LEAST [REDACTED]

b7D

~~(S)~~ (U)

AS SOON AS IT COULD BE DETERMINED THAT [REDACTED]

[REDACTED] SPECIAL AGENT [REDACTED]

IT WAS

DETERMINED THAT [REDACTED]

b6
b7C
b7D

~~(S)~~ (U)

SUBSEQUENTLY IT WAS DETERMINED THAT [REDACTED]

b7D

~~(S)~~ (U)

[REDACTED] WHICH WILL BE FORWARDED TO THE FBI [REDACTED]

b7D

~~(S)~~ (U)

b7D

~~(U)~~ ~~(S)~~

IN CONCLUSION, THE BASIS FOR THIS [REDACTED]

b7D

b7F

~~(U)~~ ~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED] SOURCE [REDACTED] THIS INFORMATION PROVED TO
BE ACCURATE AND DOCUMENTED SOURCES [REDACTED]

b7D
b7F

~~(S)~~ (U)
REQUEST OF THE BUREAU

DISSEMINATE TO LEGAT, OTTAWA.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] ~~(S)~~ (U) PROTECT IDENTITY, [REDACTED]
[REDACTED] AND DISCLOSURE OF INFORMATION WOULD IDENTIFY SOURCE AND
PLACE SOURCE AND FAMILY IN PHYSICAL DANGER.

b7D
b7F

~~C BY G-3~~ DECL: OADR.

~~SECRET~~

VZCZCNY0266

PP HQ

DE NY #0148 1742420

ZNY SSSSS

R 222300Z JUN 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATTN: [REDACTED] FINANCIAL CRIMES UNIT

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL, RICO; FEW; MF;
TWE; TAX EVASION, OO: NY.

RENYTEL TO BUREAU, DATED JUNE 19, 1984.

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (S, D)
DECLASSIFY ON: X, 1, 6

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY. 196-1774-304
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

ON [REDACTED]

[REDACTED] SPECIAL AGENT [REDACTED]

b6
b7C
b7D

~~SECRET~~

[REDACTED] NEW YORK DIVISION, [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D

[REDACTED] SPECIAL AGENT
[REDACTED]
[REDACTED] SPECIAL AGENT [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D

[REDACTED] SPECIAL AGENT
[REDACTED]
[REDACTED] SPECIAL AGENT [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b7D

[REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

BECAUSE OF THE [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D

~~SECRET~~

[REDACTED]
[REDACTED] IT SHOULD BE NOTED THAT AT LEAST [REDACTED]
[REDACTED]
[REDACTED]

b7D

~~(S)~~ (U)

AS SOON AS IT COULD BE DETERMINED THAT [REDACTED]

[REDACTED] SPECIAL AGENT [REDACTED]

[REDACTED] IT WAS

DETERMINED THAT [REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7D

~~(S)~~ (U)

SUBSEQUENTLY IT WAS DETERMINED THAT [REDACTED]
[REDACTED]

b7D

~~(S)~~ (U)

[REDACTED]
[REDACTED] WHICH WILL BE FORWARDED TO THE FBI. ~~(S)~~ (U)

b7D

~~(S)~~ (U)

b7D

~~SECRET~~

IN CONCLUSION, THE BASIS FOR THIS [REDACTED]

[REDACTED] SOURCE [REDACTED]

THIS INFORMATION PROVED TO

b7D

b7F

BE ACCURATE AND DOCUMENTED SOURCES [REDACTED]

[REDACTED] ~~(S)~~ (U)

REQUEST OF THE BUREAU

DISSEMINATE TO LEGAT, OTTAWA.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED]

~~(S)~~ (U) PROTECT IDENTITY, [REDACTED]

b7D

b7F

[REDACTED] AND DISCLOSURE OF INFORMATION WOULD IDENTIFY SOURCE AND

PLACE SOURCE AND FAMILY IN PHYSICAL DANGER.

~~C By G-3; DECI: OADR.~~

BT

#0148

~~SECRET~~

FEDERAL BUREAU OF INVESTIGATION

Date of transcription
6/15/84

1

[redacted]
[redacted] New York (NY), was advised of the identity of the contacting Agent and served a Southern District of New York trial subpoena, dated June 5, 1984, regarding [redacted] trial on [redacted]
[redacted]

b6
b7c

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

Interviewed on 6/11/84 at New York, New York File # NY 196A-1774-305

By SA [redacted] ap

b6
b7c

Date Dictated 6/12/84
[Signature]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

1 DW

FEDERAL BUREAU OF INVESTIGATION

Date of transcription
6/15/84

1

[redacted]
[redacted] New York (NY), was advised of the identity of the contacting Agent and served a Southern District of New York trial subpoena, dated June 5, 1984, regarding [redacted] trial on [redacted]
[redacted]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

Interviewed on 6/11/84 at New York, New York File # NY 196A-1774-306

By SA [redacted]/ap

b6
b7C

Date Dictated 6/12/84

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

FBI-NEW YORK
[redacted] DW

NY 196-1774
GMP:mmm

On the period of 1/11-17/84 [redacted] provided the following
information to Special Agent [redacted]

b6
b7C
b7D

Source introduced [redacted]
[redacted]
[redacted]

b6
b7C
b7D

Source and [redacted] advised they would contact writer at a future
date in regard to [redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196-1774-307

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 3 1984	
FBI - NEW YORK	

NY 196A-1774
GMP:mmm

During the month March, 1984 during various telephonic contacts
[redacted] provided the following information to Special Agent
[redacted]

b6
b7C
b7D

Source advised that [redacted]
[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196-1774-308

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 3 1984	
FBI-NEW YORK	

NY 196-1774
GMP:mmm

On the days of March 23 - 24, 1984 [redacted] provided the
following information to Special Agent [redacted]

b6
b7C
b7D

Source advised that the [redacted]
[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196-1774-309

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 3 1984	
FBI - NEW YORK	

NY 196A-1774
GMP:mmm

During the month of April, 1984 during various contacts [redacted]
[redacted] provided the following information to Special Agent
[redacted]

b6
b7C
b7D

Source advised that through [redacted]
[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196 - 1774 - 310

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 8 1984	
FBI - NEW YORK	

JUL 20 1984

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: SAC
SUBJECT: XXX ADIC, NEW YORK
MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE

196A-1774

Field Office File Number

ET AL
RICO
FBW
MF
TAX EVASION
TRADING WITH ENEMY
OO:NY

M-1

Squad or RA Number

- ☐ X If a joint FBI/DEA (or other Federal Agency **) operation.
☐ X If case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows.

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

16. Show Money Rating Usage

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	17. Surveill. Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest - Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)			Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
FBI Arrests -	A	B	C		\$	\$	\$	\$
FBI Locates -					\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Physically Resisted					\$	\$	\$	\$
Number of Subjects of FBI Arrests Who Were Armed					\$	\$	\$	\$
Criminal Summonses	Subpoenas Served 2				\$	\$	\$	\$
C. Release of Hostages: (Number of Hostages Released)	Hostages Held By Terrorists; All Other Hostage Situations			E. Civil Matters	Government Defendant		Government Plaintiff	
				Amount of Suit	\$		\$	
				Settlement or Award	\$		\$	
				Enter AFA Payment Here				

F. Final Judicial Process: Judicial District _____ State _____ (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only)

Subject 1 - Name -	Subject's Description Code **											
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$
												\$
												\$
												\$

Subject 2 - Name -	Subject's Description Code **											
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$
												\$
												\$
												\$

Subject 3 - Name -	Subject's Description Code **											
<input type="checkbox"/> Pretrial Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction		In-Jail Term		Suspended		Probation		Fine	
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	\$
												\$
												\$
												\$

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks: Subpoenas were served on [redacted] New York, on 6/11/84 these subpoenas were issued by the SDNY and related to the [redacted] ET AL.
①-196A-1774 1-66-8492 1-IAU 1-Supv. M-1 2 RVR:jjc (6)

2 - Bureau

2 - Field Office

* See codes on reverse side. Subject description codes in Sect.

re required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

b6
b7C

XX AIRTEL

JUL 20 1984

TO: DIRECTOR, FBI (196B-2848)
(ATTN: FINANCIAL CRIMES UNIT *blate*)
[REDACTED]

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE
ET AL
RICO; FBW; MF;
TAX EVASION;
TRADING WITH THE ENEMY
OO:NY

b6
b7C

ReBuTel to NY, 1/16/84 and NYairtel to Bu, 3/5/84,
3/29/84, and 5/15/84. *7/2/84*

Enclosed for the Bureau are the original and
one copy of an FD-515 concerning captioned case and one
copy of an LHM dated 3/5/84. Justification of this
accomplishment was contained in the LHM dated 3/5/84.

2-Bureau (encls. 3)
①-New York

RVR:jjc
(4) *22*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

196A-1774-312

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 20 1984	
FBI - NEW YORK	
<i>mw</i>	

196B-2848

Investigative Assistance or Techniques Used			
Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes - If Yes, rate each used as follows: 1 = Used, but did not help 2 = Helped, but only minimally 3 = Helped, substantially 4 = Absolutely essential			
1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating
2. Aircraft Assistance		7. Hypnosis Assistance	
3. Computer Assistance		8. Ident Div Assistance	
4. Consensual Monitoring		9. Informant Information	
5. ELSUR - FISC		10. Lab Div Exams	
		11. Lab Div Field Support	Rating
		12. Pen Registers	
		13. Photographic Coverage	
		14. Polygraph Assistance	
		15. Search Warrants Executed	
		16. Show Money	Rating
		17. Surveil, Sqd Asst	Usage
		18. SWAT Team Action	
		19. Telephone Toll Records	
		20. Undercover Operation	
		21. Visual Invest - Analysis (VA)	

196A-1774

Field Office File Number

M-1

Squad or RA Number

☐ - X if a joint FBI/DEA (or other Federal Agency **) operation.

☐ X if case involves corruption of a public official (Federal, State or Local).

A. Preliminary Judicial Process (Number of subjects)				D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
				Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)								
Subject Priority (See Reverse)								
A B C								
FBI Arrests -								
FBI Locates -								
Number of Subjects of FBI Arrests Who Physically Resisted _____				\$	\$	\$	\$	
Number of Subjects of FBI Arrests Who Were Armed _____				\$	\$ -	\$	\$ b3	
Criminal Summons _____ : Subpoenas Served _____				\$	\$	\$	\$	
C. Release of Hostages: (Number of Hostages Released)				E. Civil Matters		Government Defendant		Government Plaintiff
Hostages Held By Terrorists _____ ; All Other Hostage Situations _____				Amount of Suit		\$		\$
				Settlement or Award		\$		\$ Enter AFA Payment Here

F. Final Judicial Process: Judicial District (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only)

Subject 1 - Name - District State

Subject's Description Code -

[illegible][illegible]

Subject 3 - Name -				Subject's Description Code -									
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal		• Convictions • Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
				Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	
													\$
													\$
													\$
													\$

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

7-1-83

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 2-21-01 BY

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks

SEARCHED.....INDEXED.....

Pursuant to August 5, 1983 court order, an additional

2 - Bureau
2 - Field Office

Case involves a joint investigation between, FBI, IRS

* See codes on reverse side. Subject description codes in Set 1

re required only when reporting a conviction.

* * Identify the other Federal Agency(ies) in the Remarks Section.

①-196A-1774

1-66-8492

1-IAU

1-Supv. M-1

RVR:jic (6)



U.S. Department of Justice

Federal Bureau of Investigation
26 Federal Plaza
New York, New York 10278

In Reply, Please Refer to
File No.

July 17, 1984

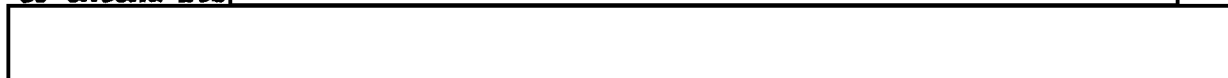


b6
b7C
b7D

Dear [REDACTED]

b6
b7C
b7D

The New York Division of the Federal Bureau of Investigation wishes
to extend its [REDACTED]



I have been informed that [REDACTED]



b7D

Please feel free to contact this office for any assistance in the
future and I look forward to the [REDACTED]

b7D

[REDACTED] the Federal Bureau of
Investigation.

Very truly yours,

LFL/MUP3

LEE F. LASTER
Assistant Director in Charge



ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

196-1774-314

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 25 1984	
FBI - NEW YORK	

MUP3

FD-36 (Rev. 5-22-78).

b6
b7C

FBI

10.029

TELETYPE

PRIORITY

~~SECRET~~

7/31/84

PRIORITY

NEW YORK (196A-1774) (P) (M-1)

PRIORITY

DIRECTOR FBI ()

ATTN: SUPV. [redacted]

FCU, DIVISION SIX

NEW HAVEN ()

ATTN: SPECIAL AGENT [redacted]

23342, 23402

23052

BT

~~SECRET~~

b6
b7C

"MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
TAX EVASION; TRADING WITH THE ENEMY, OO: NEW YORK.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELCAL TO FBIHQ, LEGAT, BONN AND NEW HAVEN DIVISION DURING
THE PERIOD OF JUNE 8, 1984, THROUGH JULY 26, 1984; AND NYTEL TO

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

196A-1774-316

b7D
b7F

1 - New York

1 - Supervisor M-1

WMM:gmh063V1

(2)

corrections made ✓

136/179
137/180

b6
b7C

Approved: LFL/DCO

Transmitted

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: RJM

CLASSIFIED BY: [redacted]

REASON: 1.5 (e, s)

DECLASSIFY ON: X1, b

~~SECRET~~

~~SECRET~~

FBIHQ, DATED JUNE 11, 1984, AND JUNE 22, 1984.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, A
RELIABLE [REDACTED] SOURCE WHO IS [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED THAT [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

FOLLOWING THESE [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED THAT DURING [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE WAS TOLD [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

b7D
b7F

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

IN REGARD TO [REDACTED] SOURCE LEARNED THAT [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U)

FOR INFORMATION OF RECEIVING OFFICES, [REDACTED] SOURCE

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7E

[REDACTED]
[REDACTED] ~~(S)~~ (U)
NEW YORK RECENTLY DEVELOPED ADDITIONAL INFORMATION REGARDING
[REDACTED] THIS INFORMATION COMES FROM
[REDACTED] A HIGHLY SENSITIVE AND RELIABLE SOURCE. THIS SOURCE
[REDACTED]

b6
b7C
b7D

[REDACTED] ~~(S)~~ (U)
IN REGARD TO [REDACTED] IT IS NOTED [REDACTED] IS THE SUBJECT OF
[REDACTED]

b6
b7C
b3
b7E

[REDACTED] (OO: NY). NEW YORK INVESTIGATION INDICATES
THAT [REDACTED]
[REDACTED]
[REDACTED]

IN ADDITION,
[REDACTED] ~~(S)~~ (U)
[REDACTED]

~~SECRET~~

~~SECRET~~

BASED ON ABOVE INFORMATION ~~(S)~~ [REDACTED]

WAS TASKED TO [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN REGARD TO A [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

BUREAU AND RECEIVING OFFICES WILL BE KEPT APPRISED OF
DEVELOPMENTS BE TELEPHONE AND TELETYPE.

REQUEST OF THE BUREAU .

~~SECRET~~

~~SECRET~~

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN FOR INFORMATION.

C By G-3; ~~DECL.~~ OADR.

~~SECRET~~

~~SECRET~~

b6
b7C

196-1774-316

1281

1 RVR

PAGE TWO DE NY 0136 ~~SECRET~~ SECTION 1 OF 2

FBIHQ, DATED JUNE 11, 1984, AND JUNE 22, 1984.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, A

RELIABLE

SOURCE, WHO IS

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

PAGE THREE DE NY 0136 ~~SECRET~~ SECTION 1 OF 2

[REDACTED]

~~(S)~~ (U)

b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

PAGE FOUR DE NY 0136 ~~SECRET~~ SECTION 1 OF 2

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

FOLLOWING THESE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED THAT DURING

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

PAGE FIVE DE NY 0136 ~~SECRET~~ SECTION 1 OF 2

[Redacted]

[Redacted] ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE WAS TOLD BY

[Redacted]

[Redacted]

[Redacted] ~~(S)~~ (U)

b6
b7C
b7D
b7F

IN REGARD TO

[Redacted]

SOURCE LEARNED THAT

[Redacted]

[Redacted]

[Redacted] ~~(S)~~ (U)

b7D
b7F

ADMINISTRATIVE

~~SECRET~~

PAGE SIX DE NY 0136 ~~SECRET~~ SECTION 1 OF 2

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U) SOURCE'S
IDENTITY MUST BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF
HIS IDENTITY IS DIVULGED.

b7D
b7F

FOR INFORMATION OF RECEIVING OFFICES, [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

NEW YORK RECENTLY DEVELOPED ADDITIONAL INFORMATION REGARDING

[REDACTED] THIS INFORMATION COMES FROM

[REDACTED] A HIGHLY SENSITIVE AND RELIABLE SOURCE. THIS SOURCE

b6
b7C
b7D

[REDACTED] ~~(S)~~ (U)
BT

#0136

~~SECRET~~

VZCZCNY0180

PP HQ NH

DE NY #0137 2132221

ZNY SSSSS

R 312057Z JUL 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ ECTION 2 OF 2

IN REGARD TO [REDACTED] IT IS NOTED [REDACTED] IS THE SUBJECT OF

[REDACTED]
[REDACTED] (OO: NY). NEW YORK INVESTIGATION INDICATES

THAT [REDACTED]

[REDACTED]
[REDACTED] IN ADDITION,

[REDACTED] ~~(S)~~ (U)

BASED ON ABOVE INFORMATION, [REDACTED] WAS TASKED TO [REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b3
b7E

b6
b7C
b7D
b7F

~~SECRET~~

PAGE TWO DE NY 0137 ~~SECRET~~ SECTION 2 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO A

b6
b7C
b7D
b7F

~~(S)~~ (U)

BUREAU AND RECEIVING OFFICES WILL BE KEPT APPRISED OF
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

REQUEST OF THE BUREAU

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO

~~SECRET~~

~~SECRET~~
PAGE THREE DE NY 0137 ~~SECRET~~ SECTION 2 OF 2
LEGAT, BONN FOR INFORMATION.

~~C By G-3; DECL. OADR.~~

BT

#0137

~~SECRET~~

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

TO : ADIC, NEW YORK (196A-1774) (P) (M-1)

[Signature]
FROM : SAC, HOUSTON (196B-881) (RUC) (#4)

SUBJECT: MARK RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
RICO;
MAIL FRAUD;
FRAUD BY WIRE - TAX EVASION;
TRADING WITH THE ENEMY
(OO:NY)

ReNYairtel to HO, dated 5/25/84.

Enclosed for NY are three trial subpoenas which were served and executed in [redacted] Texas, along with two additional subpoenas being returned unexecuted.

b6
b7C

For information of NY, trial subpoenas directed to [redacted] were served during the week of 6/18/84, at [redacted] Texas. Per 6/20/84, telephone conversation between SA [redacted] and AUSA [redacted] SDNY, trial subpoenas directed to [redacted] were not served.

This represents the conclusion of all requested investigation at [redacted] and this matter is being RUC'd.

b6
b7C

MT
②-New York (Encl. 5)
1-Houston

AMK:rmb
(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 14 1984	
NEW YORK	

[Signature]
with Subpoenas

317

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted], at [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and **MARC RICH et al.**

b6
b7C

**PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY
THEREAFTER UNTIL RELEASED BY THE COURT.**

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

RUDOLPH W. GIULIANI
*United States Attorney for the
Southern District of New York.*

Raymond F. Burghardt

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

[Redacted]

Room

[Redacted]

Telephone:

[Redacted]

b6
b7C

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [Redacted]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted], at [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and MARC RICH et al.

b6
b7C

**PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY
THEREAFTER UNTIL RELEASED BY THE COURT.**

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

Raymond F. Burghardt

RUDOLPH W. GIULIANI
*United States Attorney for the
Southern District of New York.*

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

[Redacted]

Room

[Redacted]

Telephone:

[Redacted]

4-20-78

b6
b7C

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [Redacted]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted], a [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and **MARC RICH et al.**

b6
b7C

PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY THEREAFTER UNTIL RELEASED BY THE COURT.

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

Raymond F. Burghardt

RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

[Redacted]

Room

[Redacted]

Telephone:

[Redacted]

4-28-78

b6
b7C

**ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [Redacted]**

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted], at [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and **MARC RICH et al.**

b6
b7C

PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY THEREAFTER UNTIL RELEASED BY THE COURT.

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

Raymond F. Burghardt

RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

Telephone:

[Redacted]

[Redacted]

Room

[Redacted]

4-18-78

b6
b7C

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [Redacted]

Survey 6/20/84 @ [redacted] Texas,

57

[redacted]

[redacted]

b6
b7C

United States District Court
SOUTHERN DISTRICT OF NEW YORK

b6
b7C

TO

[Redacted]

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [] day of [], at [] o'clock in the [] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and MARC RICH et al.

b6
b7C

PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY THEREAFTER UNTIL RELEASED BY THE COURT.

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

RUDOLPH W. GIULIANI
United States Attorney for the
Southern District of New York.

Raymond F. Burghardt

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

Telephone:

Room

AR-4-10-78

b6
b7C

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLAS
DATE 2-21-01 BY [Redacted]

United States District Court
SOUTHERN DISTRICT OF NEW YORK

TO

[Redacted]

b6
b7C

GREETING:

WE COMMAND YOU that all and singular business and excuses being laid aside, you and each of you appear and attend before the Judge of the District Court of the United States for the Southern District of New York, at a District Court to be held in Courtroom No. 318, in the United States Courthouse, Foley Square, in the Borough of Manhattan, City of New York, in and for the said Southern District of New York, on the [Redacted] day of [Redacted], at [Redacted] o'clock in the [Redacted] noon, to testify and give evidence in a certain cause now pending in said Court and then and there to be tried between the United States of America, Plaintiff, and **MARC RICH et al.**

b6
b7C

**PERSONAL APPEARANCE REQUIRED ON JUNE 25, 1984 AND EACH DAY
THEREAFTER UNTIL RELEASED BY THE COURT.**

Defendant, on the part of the United States, and not to depart the Court without leave thereof, or of the United States Attorney.

And for failure to attend you will be deemed guilty of contempt of Court and liable to penalties of the law.

DATED: New York, N.Y. May 16, 1984

Raymond F. Burghardt

RUDOLPH W. GIULIANI
*United States Attorney for the
Southern District of New York.*

NOTE: Report at Room 767. In order to secure your witness fees and mileage, it is necessary that you retain this Subpoena and present the same at the United States Attorney's Office, Room 767, upon each day on which you attend Court as a witness.

Assistant

[Redacted]

Room

[Redacted]

Telephone:

[Redacted]

4-18-74

b6
b7C

**ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [Redacted]**

Servio 6/17/84, [redacted] Texas,

89

[redacted]

[redacted]

b6
b7C

Memorandum

b6
b7C

~~SECRET~~



To : SAC [redacted]

~~(S)~~ (U)
(ADM)

b7D
b7F

Date SEP 3 1984

From : SA [redacted]

(M-1)

b6
b7C

Subject :

[redacted]

~~(S)~~ (U)

b7D
b7F

On [redacted] the writer met with captioned source regarding [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] Source was advised the FBI would [redacted]

[redacted]

Source agreed [redacted]

[redacted]

b6
b7C
b7D
b7F

① 196A-1774

1- [redacted] ~~(S)~~ (U)

b7D
b7F

WMM:jd
(1)

jd

2-21-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (S, 2)
DECLASSIFY ON: X 1, 6

b6
b7C

196-1774-318

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 05 1984	
FBI - NEW YORK	

mmw

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

[redacted]

~~(S)~~ (U)

b7D
b7F

[redacted]
[redacted] NYO and discussed the matter with NY personnel including
ASAC [redacted] ASAC [redacted]
and requested the writer contact FBIHQ for final approval

b6
b7C
b7D
b7F

Pursuant to ASAC [redacted] instructions,
the writer contacted FBIHQ supervisor [redacted]
Financial Crimes Unit. Supervisor [redacted] was advised
of the [redacted] source [redacted] stated
he would need approval from Unit Chief [redacted]
before source [redacted]. Subsequently,
Supervisor [redacted] advised that Unit Chief [redacted]
was "not supportive" [redacted] source [redacted]

b6
b7C
b7D
b7F

[redacted]

[redacted] ~~(S)~~ (U)

Supervisor [redacted] was advised that the individual
responsible for [redacted] the
writer. This [redacted] was based on pressure from
both the NYO and FBIHQ [redacted]
[redacted] It was pointed out that source
did not initially [redacted]
[redacted] agreed
to do so. It was also pointed out that FBIHQ had
previously approved and provided to NY

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

[redacted] ~~(S)~~ (U)

b7D
b7F

b7D
b7F
b7E

[redacted]
[redacted] ~~(S)~~ (U)

In regard to the unsuccessful [redacted]

it was noted on the [redacted]

and SA [redacted]

b6
b7C
b7D
b7F
b7E

[redacted]
[redacted] ~~(S)~~ (U)

In regard to the [redacted]

SA [redacted]

[redacted]

b6
b7C
b7D
b7F
b7E

[redacted] Based on this information and
information from captioned source that [redacted]

[redacted] (name unknown). FBIHQ officials

decided to allow SA [redacted] NY's recommendation
was to allow [redacted]

[redacted]
[redacted] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[redacted] ~~(S)~~ (U)

b7D
b7F

FBIHQ would only approve [redacted] SA [redacted] Therefore,

[redacted]

[redacted] Supervisor [redacted] was
advised that source could not [redacted]
[redacted] the FBI.

b6
b7C
b7D
b7F
b7E

Based on FBIHQ's decision not to [redacted]
[redacted] the writer recontacted source and advised
source to [redacted]

b7D
b7F

[redacted] ~~(S)~~ (U)

The above is furnished for the record.

~~SECRET~~

b6
b7C

10.81

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

7/31/84

PRIORITY
NEW YORK (196A-1774) (P) (M-1)
PRIORITY
DIRECTOR FBI 19012

ATTN: SUPERVISOR [REDACTED] FCU,
NEW HAVEN 18202
ATTN: [REDACTED]

b6
b7C

BT
~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL, DATED JULY 31, 1984, AND NYTELCAL TO LEGAT, BONN, ON
JULY 31, 1984.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

- 1 - New York
- 1 - Supervisor M-1

WMM:wjr039V1
(2)

2-21-01 [REDACTED]
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (29)
DECLASSIFY ON: X 16

b6
b7C

196-1774-319

Approved: _____ Transmitted 119/235 Per gk

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: gm

~~SECRET~~

b6
b7C

RVR

~~SECRET~~

b6
b7C
b7D
b7F

FOR INFORMATION OF BUREAU, LEGAT, BONN, AND NEW HAVEN, A
SENSITIVE AND RELIABLE [REDACTED] SOURCE HAS CONTINUED TO [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

ON JULY 31, 1984, SOURCE ADVISED [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

SOURCE LEARNED THAT [REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE STATES [REDACTED]

[REDACTED] SOURCE WILL FURNISH THIS INFORMATION TO THE FBI AS
SOON AS POSSIBLE. ~~(S)~~ (U)

ADMINISTRATIVE:

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U) SOURCE'S
IDENTITY MUST BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF
HIS IDENTITY IS DIVULGED.

b7D
b7F

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN. LEGAT, BONN SHOULD BE ADVISED THAT BASED ON LENGTHY
DISCUSSIONS WITH [REDACTED] SOURCE, [REDACTED]

b6
b7C
b7D
b7F

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED]
[REDACTED] SOURCE
WILL MAKE EVERY EFFORT TO INSURE THE FBI HAS A [REDACTED]
[REDACTED] (S) (U)

b7D
b7F

~~C AND E BY G-3: DECL: OADR.~~

~~SECRET~~

~~SECRET~~

b6
b7C

VZCZCNY0235

PP HQ NH

DE NY #0119 2141755

ZNY SSSSS

R 011729Z AUG 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPERVISOR [REDACTED] FCU,

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: [REDACTED]

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FRY; ME; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" ~~IN ITS ENTIRETY~~.

RENYTEL, DATED JULY 31, 1984, AND NYTELCA TO LEGAT, BONN, ON
JULY 31, 1984.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1/6

b6
b7C

~~SECRET~~

196-1774-319

gn

du

PAGE TWO DE NY 0119 ~~SECRET~~

FOR INFORMATION OF BUREAU, LEGAT, BONN, AND NEW HAVEN, A
SENSITIVE AND RELIABLE [REDACTED] SOURCE HAS CONTINUED TO [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

ON JULY 31, 1984, SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

PAGE THREE DE NY 0119 ~~SECRET~~

b6
b7C
b7D
b7F

SOURCE LEARNED THAT [REDACTED]

b6
b7C
b7D
b7F

SOURCE STATES [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] SOURCE WILL FURNISH THIS INFORMATION TO THE FBI AS
SOON AS POSSIBLE. ~~(S)~~ (U)

ADMINISTRATIVE:

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U) SOURCE'S
IDENTITY MUST BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF
HIS IDENTITY IS DIVULGED.

b7D
b7F

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN. LEGAT, BONN SHOULD BE ADVISED THAT BASED ON LENGTHY
DISCUSSIONS WITH [REDACTED] SOURCE, [REDACTED]

b6
b7C
b7D
b7F

~~SECRET~~

PAGE FOUR DE NY 0119 ~~SECRET~~

b7D
b7F

SOURCE

WILL MAKE EVERY EFFORT TO INSURE THE FBI HAS A

~~(S)~~ (U)

~~C AND E BY G-3: DECL: OADR.~~

BT

#0119

~~SECRET~~

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

10.83

TELETYPE

PRIORITY

~~SECRET~~

9/11/84

Routine

~~PRIORITY~~
NEW YORK (105A-1774) () (M-1)

~~PRIORITY~~
DIRECTOR FBI () 00557

ATTN: SUPV. [redacted] FCU

~~PRIORITY~~
NEW HAVEN () 25572

ATTN: [redacted]

b6
b7C

BT
~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FRAUD BY WIRE;
MAIL FRAUD; RICO; INCOME TAX INVASION; TRADING WITH THE ENEMY; CO:
NEW YORK

THIS COMMUNICATION IS CLASSIFIED "SECRET" IN ITS ENTIRETY.

RENYTELS TO DIRECTOR, DATED JULY 31, 1984 AND AUGUST 21, 1984;

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor M-1
WMM:djg080V1
(2)

2-21-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X1, 6

b6
b7C

196-1774-320

Approved: LPL/mwp3

Transmitted

135/647

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 14 1984	
NEW YORK	

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [signature]

~~SECRET~~

b6
b7C

RUR

~~SECRET~~

NYTELCAL TO NEW HAVEN SA [REDACTED] SEPTEMBER 7, 1984 AND
NYTELCAL TO LEGAT, BONN, SEPTEMBER 10, 1984.

b6
b7C

FOR INFORMATION OF BUREAU, LEGAT BONN AND NEW HAVEN, A
SENSITIVE AND RELIABLE [REDACTED] SOURCE HAS [REDACTED]

b6
b7C
b7D
b7F
b3
b7E

[REDACTED]

[REDACTED] (S) (U)

REFERENCED NEW YORK TELETYPE, DATED AUGUST 21, 1984 NOTED PLANS
FOR [REDACTED] AND [REDACTED] SOURCE TO [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] THIS TELETYPE ALSO NOTED [REDACTED]

[REDACTED] (S) (U)

SOURCE ADVISED THAT DURING [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE LEARNED THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

SOURCE LEARNED

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

IN REGARD TO THIS

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED THAT [REDACTED]

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U) SOURCES
IDENTITY MUST BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF
HIS IDENTITY IS DIVULGED.

b7D
b7F

NY BELIEVES IT IS POSSIBLE THAT [REDACTED]

[REDACTED] ~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

IN CONNECTION WITH [REDACTED]

[REDACTED]

b7D
b7F
b7E

IN REGARD TO SOURCE [REDACTED] CONTACT WITH
VARIOUS SOURCES AVAILABLE TO THE [REDACTED] INDICATE THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] BUREAU AND
RECEIVING OFFICES WILL BE ADVISED AS SOON AS POSSIBLE REGARDING THIS

[REDACTED] ~~(S)~~ (U)

BUREAU IS REQUESTED TO DISSEMINATE THE CONTENTS OF THIS

~~SECRET~~

~~SECRET~~

TELETYPE TO LEGAT, BONN FOR INFORMATION. NY WOULD APPRECIATE ANY
COMMENTS BY LEGAT, BONN REGARDING THE [REDACTED]

C BY G-3, ~~DECL ON OADR.~~

b7D
b7F

~~SECRET~~

b6
b7C

~~SECRET~~

VZCZCNY0647

RR HQ NH

DE NY #0135 2572318

ZNY SSSSS

R 132104Z SEP 84

FM FBI NEW YORK (106A-1774) (M-1)

TO DIRECTOR FBI ROUTINE

ATTN: SUPV. [REDACTED] FCU

FBI NEW HAVEN ROUTINE

b6
b7C

ATTN: [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FRAUD BY WIRE;
MAIL FRAUD; RICO; INCOME TAX INVASION; TRADING WITH THE ENEMY; CO:
NEW YORK

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (e, d)
DECLASSIFY ON: X1, b

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY. 196-1774-320

RENYTELS TO DIRECTOR, DATED JULY 31, 1984 AND AUGUST 21, 1984 SEP 14 1994

NYTELCAL TO NEW HAVEN SA [REDACTED] SEPTEMBER 7, 1984 AND FBI-NEW YORK

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

b6
b7C

~~SECRET~~

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 14 1994	
FBI-NEW YORK	

PAGE TWO DE NY 0135 ~~SECRET~~ SECTION 1 OF 2
NYTELCAL TO LEGAT, BONN, SEPTEMBER 10, 1984.

FOR INFORMATION OF BUREAU, LEGAT BONN AND NEW HAVEN, A
SENSITIVE AND RELIABLE [REDACTED] SOURCE HAS [REDACTED]

b6
b7C
b7D
b7F
b3
b7E

[REDACTED] ~~(S)~~ (U)

REFERENCED NEW YORK TELETYPE, DATED AUGUST 21, 1984 NOTED PLANS
FOR [REDACTED] AND [REDACTED] SOURCE TO [REDACTED]

[REDACTED] THIS TELETYPE ALSO NOTED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED THAT DURING [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO THIS

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS ~~(S)~~ (U) SOURCES
IDENTITY MUST BE PROTECTED AS SOURCE WILL BE IN PHYSICAL DANGER IF
HIS IDENTITY IS DIVULGED.

b7D
b7F

~~SECRET~~

PAGE SIX DE NY 0135 ~~SECRET~~ SECTION 1 OF 2

NY BELIEVES IT IS POSSIBLE THAT [REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN CONNECTION WITH [REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

IN REGARD TO SOURCE [REDACTED]

CONTACT WITH

VARIOUS SOURCES AVAILABLE TO THE NYO INDICATE THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

T

0135

~~SECRET~~

VZCZCNY0643

RR HQ NH

DE NY #0136 2572318

ZNY SSSSS

R 132104Z SEP 84

FM FBI NEW YORK (106A-1774) (M-1)

TO DIRECTOR FBI ROUTINE

FBI NEW HAVEN ROUTINE

BT

~~SECRET~~ SECTION 2 OF 2

[REDACTED]
[REDACTED] BUREAU AND
RECEIVING OFFICES WILL BE ADVISED AS SOON AS POSSIBLE REGARDING THIS

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

BUREAU IS REQUESTED TO DISSEMINATE THE CONTENTS OF THIS
TELETYPE TO LEGAT, BONN FOR INFORMATION. NY WOULD APPRECIATE ANY
COMMENTS BY LEGAT, BONN REGARDING THE [REDACTED]

b7D
b7F

[REDACTED] (S) (U)

C BY G-3, DECL ON OADR.

BT

#0136

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-01-2017 BY:

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~SECRET~~
2-21-01
CLASSIFIED BY
REASON: 1.5
DECLASSIFY ON: X 1

196 - 1774 - 321

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 28 1984	
FBI - NEW YORK	

18V2

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

b6
b7C

WMM:sp
1

On July 2, 1984, [redacted] ~~(S)~~ provided the following information to Special Agents (SAs) [redacted] and [redacted]
[redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]
[redacted]

b6
b7C
b7D
b7F

~~(S)~~ (U)

In regard to [redacted] source learned that the
[redacted]

b6
b7C
b7D
b7F

~~(S)~~ (U)

ADMINISTRATIVE

Information from [redacted] ~~(S)~~ (U) is of a highly singular nature and disclosure will reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical to [redacted]
[redacted] who identity, if revealed, will positively lead to physical danger to both source and family.

b7D
b7F

~~SECRET~~

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-01-2017 BY:

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~2-21-01~~
CLASSIFIED BY:
REASON: 1.5 (C) 1
DECLASSIFY ON: X 1

196-1774-322

SEARCHED	INDEXED
SERIALIZED <i>ja</i>	FILED
SEP 28 1984	
FBI - NEW YORK	

12V2

~~SECRET~~

~~SECRET~~

b6
b7C

~~SECRET~~

WM:sp
1

On July 4, 1984, [redacted] ~~(S)~~ (U) provided the following information to Special Agents (SAs) [redacted] and [redacted]
[redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]

[redacted]
[redacted] ~~(S)~~ (U)

b6
b7C
b7D
b7F

In regard to [redacted]

[redacted]
[redacted] ~~(S)~~ (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

Information from [redacted] ~~(S)~~ (U) is of a highly singular nature and disclosure will reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical to [redacted]
[redacted] who identity, if revealed, will positively lead to physical danger to both source and family.

b7D
b7F

~~SECRET~~

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED~~

~~DECLASSIFIED BY: [redacted]~~

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-01-2017 BY:

b6
b7C



~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~2-21-01
CLASSIFIED BY:
REASON: 1.5 (C)
DECLASSIFY ON: X-1~~

196-1774-323

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 28 1984	
FBI-NEW YORK	
1212	

~~SECRET~~

~~SECRET~~

~~SECRET~~

b6
b7C

WMM:sp
1

On July 13, 1984 [redacted] ~~(S)~~ (U) provided the following information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised an [redacted]

[redacted]
~~(S)~~ (U)

b6
b7C
b7D
b7F

Source could not provide any additional information regarding [redacted]

[redacted]
~~(S)~~ (U)

b6
b7C
b7D
b7F

In addition to [redacted] source noted that [redacted]

[redacted]
~~(S)~~ (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

Information from [redacted] ~~(S)~~ (U) is of a highly singular nature and disclosure will reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical to [redacted]
[redacted] who identity, if revealed, will positively lead to physical danger to both source and family.

b7D
b7F

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-01-2017 BY: [REDACTED]

b6
b7C

~~2-21-01~~
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (S)
DECLASSIFY ON: X 1

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

196-1774-324

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 28 1984	
FBI - NEW YORK	
L PVR	

~~SECRET~~

~~SECRET~~

b6
b7C

~~SECRET~~

WM1:sp
1

On July 23, 1934 [redacted] ~~(S)~~ (U) provided the following information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

[redacted]

b6
b7C
b7D
b7F

ADMINISTRATIVE

Information from [redacted] ~~(S)~~ (U) is of a highly singular nature and disclosure will reveal source's identity. [redacted]
[redacted] Source is a highly placed informant critical to [redacted]
[redacted], who identity, if revealed, will positively lead to physical danger to both source and family.

b7D
b7F

~~SECRET~~

(Mount Clipping in Space Below)

Marc Rich and Firm's Other Top Officer Won't Be Extradited to U.S., Swiss Say

By DAN BAUM

Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—The Swiss government refused a U.S. request that it extradite Marc Rich and Pincus Green, the two principal officers of Marc Rich & Co. AG, the giant oil and commodity trading concern.

The refusal may open the way to a settlement between the company and the U.S. government, sources said.

The Switzerland-based company, its two principal officers and another U.S. oil trader were indicted last fall on charges of evading at least \$48 million in taxes on illegal oil trading profits. The trial, scheduled to begin here yesterday, was postponed recently until Dec. 3 at the request of both the U.S. government and the defense.

Neither Marc Rich & Co. nor the U.S. attorney's office here would comment yesterday on the question of a settlement. But sources in and out of the government said such talks have been taking place.

Though Swiss government officials said they haven't been party to any settlement talks, it is believed that any settlement was contingent upon the Swiss refusing to extradite Messrs. Rich and Green.

One possible settlement plan, sources said, would allow Marc Rich & Co.'s U.S. operations, which have been closed by a court order, to reopen. In return, the company would plead guilty to the charges and pay a large cash settlement. But Messrs. Rich and Green, sources said, wanted assurances they wouldn't be extradited.

It isn't known whether any other conditions might be involved in reaching a settlement. Any settlement apparently wouldn't affect the charges against Messrs. Rich and Green, who presumably would remain fugitives from justice.



Marc Rich

(Indicate page, name of newspaper, city and state.)

Date:
Edition:9/26/84
WALL STREET
JOURNAL

Title:

Character:
or
Classification:
Submitting Office:

196A-1774

Indexing:

back to the U.S., but that his office is checking.

The extradition refusal is the latest development in a tense relationship between the U.S. and Swiss governments over the Marc Rich & Co. case. The U.S. wants Marc Rich & Co. documents the Swiss government is, and the Swiss have been unwilling to give them up.

"I think you'll see things moving rather quickly now," said one source when asked about settlement talks.

In an interview in July, Rudolph Giuliani, the U.S. attorney in New York handling the case, wouldn't rule out a settlement of the charges against the company. However, he also said he wouldn't support any settlement with Messrs. Rich and Green that didn't leave them open to serving substantial prison terms.

In Bern, a spokesman for the Swiss Federal Department of Justice and Police said his government rejected the extradition request because "all the points in the request are only violations of either currency, economic or fiscal measures, and they aren't extraditable under the U.S.-Swiss treaty of 1900."

The treaty, which covers only such crimes as murder, arson, forgery and destruction of railroad property, doesn't directly cover any of the charges against the two men. The charges include mail and wire fraud and racketeering.

In its request, the U.S. had compared the fraud and racketeering charges to forgery.

Mr. Giuliani said yesterday. "Although we are disappointed with the result, we appreciate the expeditious handling of our request" by the Swiss government. He said he doesn't believe there is any other "established procedure" for getting the two men

196-1774-325

ji

mm

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

Date 9/30/84

TO: DIRECTOR, FBI

196B-2848

Bureau File Number

FROM: ~~XXX~~ ADIC, NEW YORK

196A-1774

SUBJECT:

MARC RICH-Fugitive
PINCUS GREEN-Fugitive
et al
RICO:FBW:MF:TE:TWE
OO:NY

Field Office File Number

M-1

Squad or RA Number

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY

b6

b7C

☐ - X if a joint FBI/DEA (or other Federal Agency) operation.

☐ - X if case involves corruption of a public official (Federal, State or Local).

Investigative Assistance or Techniques Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows:

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div Field Support	Rating	16. Show Money Sqd Asst	Rating
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		17. Surveill Sgd Asst	
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		18. SWAT Team Action	
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		19. Telephone Toll Records	
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		20. Undercover Operation	
						21. Visual Invest - Analysis (VIA)	

A. Preliminary Judicial Process (Number of subjects)	Complaints	Informations	Indictments	D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
				Property or PELP Type Code *	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)	Subject Priority (See Reverse)							
	A	B	C					
FBI Arrests -								
FBI Locates -								
Number of Subjects of FBI Arrests Who Physically Resisted								
Number of Subjects of FBI Arrests Who Were Armed								
Criminal Summons	Subpoenas Served							
C. Release of Hostages: (Number of Hostages Released)								
Hostages Held By Terrorists	All Other Hostage Situations							
				E. Civil Matters				
				Amount of Suit		Government Defendant		
				Settlement or Award		Government Plaintiff		
						Enter AFA Payment Here		

F. Final Judicial Process: Judicial District 1 (Use two letter state abbreviations per U.S. Post Office Guide. For Example - The Northern District of Texas as ND TX; The District of Maine as ME in the state field only)

Subject 1 - Name -		Subject's Description Code *										
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	
												\$
												\$
												\$
												\$
												\$
Subject 2 - Name -		Subject's Description Code *										
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	
												\$
												\$
												\$
												\$
												\$
Subject 3 - Name -		Subject's Description Code *										
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	- Convictions - Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			In-Jail Term		Suspended		Probation		Fine
			Title	Section	Counts	Yrs	Mos	Yrs	Mos	Yrs	Mos	
												\$
												\$
												\$
												\$
												\$

Attach additional forms if reporting final judicial process on more than three subjects.

Remarks.

Pursuant to August 5, 1983

estigation between FBI, IRS, and U.S. Customs.

*Case involves a joint inv-

FBI - NEW YORK

2 - Bureau
2 - Field Office

1-196A-1774 1-66-8492 1-iau 1-Sup. M-1 RVR

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.

** Identify the other Federal Agency(ies) in the Remarks Section.

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 9/28/84

TO: DIRECTOR, FBI (196B-2848)
 ATTN: FINANCIAL CRIMES UNIT

FROM: ADIC, NEW YORK (196A-1774) (M-1) (P)

MARC RICH-FUGITIVE
 PINCUS GREEN-FUGITIVE

et al

RICO:FBW:MF:TAX EVASION:TRADING WITH THE ENEMY
 OO:NY

RE:NY airtels to HQ dated 1/16/84, 3/5/84, 5/15/84,
 and 7/20/84

Enclosed for the Bureau are the original and one copy
 of an FD-515 concerning captioned case. Justification of this
 accomplishment was contained in an LHM dated 3/5/84.

2-Bureau Enc.2

①-NY

RVR

RVR

196-1774-327

Approved: _____ Transmitted _____
 (Number) (Time)

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED
 DATE 2-21-01 BY [redacted]

b6
 b7C

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 27 1984	
FBI-NEW YORK	

10.60

FBI

TELETYPE

ROUTINE

UNCLAS

9/28/84

ROUTINE
NEW YORK (196A-1774) (P) (M-1)
ROUTINE
DIRECTOR-FBI-(196B-2848) — 14552
BT
UNCLAS

MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL, RICO, FBW, MAIL
FRAUD, TAX EVASION, TRADING WITH THE ENEMY, OO: NEW YORK

ON SEPTEMBER 25, 1984, [REDACTED]

b7D
b7E

THE [REDACTED]

THE EXPLANATION GIVEN BY [REDACTED]

196-1774-328

① - New York
1 - Supervisor M-1

RVR:aro051v3

RVR (2) ARO
M-1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

RVR

Approved: LFL/mwp Transmitted 102/503 Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: pt

VZCZONY0503

RR HQ

DE NY #0102 2721436

ZNY UUUUU

R 281348Z SEP 84

FM FBI NEW YORK (196A-1774) (P) (M-1)

TO DIRECTOR FBI (196B-2848) ROUTINE

BT

UNCLAS

MARC RICH-FUGITIVE, PINCUS GREEN-FUGITIVE, ET AL, RICO, FBW, MAIL
FRAUD, TAX EVASION, TRADING WITH THE ENEMY, OO: NEW YORK

ON SEPTEMBER 25, 1984, [REDACTED]

[REDACTED] THE EXPLANATION GIVEN BY

THE [REDACTED]

BT

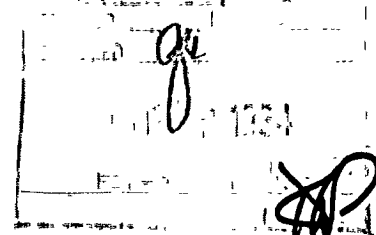
#0102

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-21-01 BY [REDACTED]

b6
b7C

b7D
b7E

196-1774-328



FOR IMMEDIATE RELEASE
OCTOBER 11, 1984

CONTACT:




b6
b7C

OUTLINE OF GUILTY PLEAS AND DISPOSITION

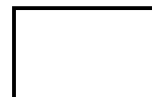
UNITED STATES OF AMERICA V. MARC RICH
& CO. A.G., MARC RICH & CO. INTERNATIONAL,
LTD. AND CLYDE MELTZER

MARC RICH & CO. A.G. ("AG") and MARC RICH & CO. INTERNATIONAL, LTD., which now calls itself Clarendon, Ltd., ("INTERNATIONAL") today pleaded guilty in Manhattan Federal Court to 38 felony counts and 40 felony counts, respectively, in connection with the largest income tax evasion prosecution ever brought by the United States. As part of the pleas, these defendants paid to the United States \$150,000,000. Additionally, AG waived any and all claims for the refund of the \$21,006,000 in criminal contempt fines thus far paid by AG for its failure to turn over subpoenaed documents from its Swiss office as ordered by the Court. Moreover, INTERNATIONAL has waived and will not be entitled to obtain any U.S. tax benefits that may otherwise have been available for that part of the \$150,000,000 normally allocatable to interest and other deductible expenses. The value of those tax benefits can be estimated in the tens of millions of dollars, thereby providing to the United States in connection with today's pleas, an overall amount approximating \$200,000,000.

The pleas were taken today before the Honorable Shirley Wohl Kram, United States District Judge, Southern District of New York. 196-1774-329

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY 

b6
b7C



RVP

In announcing today's pleas, Rudolph W. Giuliani, United States Attorney for the Southern District of New York, explained that the pleas and payment by AG and INTERNATIONAL in no way satisfied any of the criminal charges pending against Marc Rich and Pincus Green personally or exonerated them from civil liabilities. Rich and Green remain fugitives subject to prosecution on sixty-five felony counts brought under indictments filed against them in September 1983 and March 1984. CLYDE MELTZER, another defendant indicted along with Rich and Green and presently a crude oil trader for INTERNATIONAL, pleaded guilty today, however, and will be sentenced by the Court at a later date.

AG and INTERNATIONAL each pled guilty to 38 felony counts in a Criminal Information charging them with making false statements to the government as part of a scheme to evade taxes on approximately \$100 million of income earned in 1980 and 1981 and to evade Department of Energy regulations which limited profits on the resale of crude oil during the energy crisis. In addition, INTERNATIONAL pleaded guilty to two counts of evading in excess of \$48,000,000 in Federal income taxes in 1980 and 1981.

"These pleas and payment fully satisfy the government's interest in successfully prosecuting these corporations," Mr. Giuliani said. "This payment represents the largest amount of money ever recovered by the United States in a criminal tax evasion case," Mr. Giuliani continued, "and all this without

affecting the government's options to proceed against Marc Rich and Pincus Green if and when they are extradicted or otherwise returned to the United States."

Morris Weinberg, Jr. and Martin Auerbach, the Assistant United States Attorneys prosecuting the case, noted that the guilty pleas and payment by the corporations are the result of an investigation that began in the Fall of 1981. That investigation, conducted by the United States Attorney's Office, the Internal Revenue Service and the Federal Bureau of Investigation, with the assistance of the United States Customs Service, revealed as noted in the Information that the defendant corporations and their co-schemers Marc Rich, Pincus Green, Clyde Meltzer and others had concealed in excess of \$100 million in taxable income from 1980 and 1981 domestic crude oil transactions of INTERNATIONAL -- in large part earned illegally in violation of federal energy laws -- by diverting INTERNATIONAL's income off its books offshore to AG and its subsidiaries through sham transactions.

The purpose of these sham transactions and the schemes that are described in the Criminal Information to which AG and INTERNATIONAL pled guilty was to evade various Department of Energy ("DOE") regulations which limited the amount of the profit INTERNATIONAL was allowed to make selling crude oil and then to evade U.S. taxes on that illegal profit.

The profits INTERNATIONAL failed to properly report to DOE were generated primarily by the purchase of domestic crude

oil from two cooperating companies, West Texas Marketing ("WTM") and Listo Petroleum ("Listo"), that prepared false invoices. These false invoices made it appear that INTERNATIONAL was buying from the companies at high prices when in fact INTERNATIONAL had an agreement to pay them a much lower price. The profits these companies held for INTERNATIONAL in a concealed fashion were referred to as the WTM "pot" and the Listo "pot". By having false invoices created and by failing to disclose these hidden profits on monthly DOE reporting forms, INTERNATIONAL concealed the fact that it was making far more money than was permitted by DOE regulations.

The millions of dollars of illegal income that were not disclosed to DOE were also hidden from the IRS.

INTERNATIONAL's profits were transferred out of the United States to AG in Switzerland through a series of sham transactions between WTM and Listo on the one hand and AG and two of its wholly-owned Panamanian subsidiaries, Rescor and Highams on the other hand. These sham transactions made it appear that Listo and/or WTM had lost money to AG or its subsidiaries, Rescor and Highams, by buying and selling foreign crude oil. False invoices were prepared to conceal the fact that these transactions were not real deals and were nothing more than a way to move INTERNATIONAL's U.S. profits out of the Listo and WTM "pots".

As a separate part of the scheme to evade taxes, the corporations and their co-schemers also arranged more than \$31 million in fraudulent deductions for defendant INTERNATIONAL by creating false invoices between AG and INTERNATIONAL, ostensibly relating to offshore oil deals between AG and Charter Crude Oil Company's Bahamian subsidiary and between INTERNATIONAL and Rescor.

The criminal indictment was quickly followed by the September 30, 1983 IRS jeopardy assessment for \$90 million against INTERNATIONAL to collect its back taxes, penalties and interest from the scheme. INTERNATIONAL's challenge to the IRS action was rejected after a hearing in Manhattan federal court in which a financial officer of INTERNATIONAL testified. Judge Richard Owen found that the IRS jeopardy assessment was "unquestionably reasonable" and that the amount assessed was appropriate under the circumstances. The IRS's levies on INTERNATIONAL'S assets and bank accounts, however, prompted a consortium of United States and European banks to which INTERNATIONAL owed over \$130 million to sue the United States in a battle over INTERNATIONAL's assets. IRS's jeopardy assessment was satisfied by the corporate payment made today. AG and INTERNATIONAL also paid more than \$130 million to their bank creditors, thereby ending the litigation brought by the banks.

In connection with the defendants' guilty pleas, the United States Government also joined with AG in moving to vacate AG's civil contempt conviction which had resulted from AG's attempts to frustrate the progress of the grand jury investigation. Beginning in June 1982, AG waged an unsuccessful two-year battle to resist turning over its Swiss records subpoenaed by the grand jury. AG began by moving to quash the grand jury subpoena, but Judge Leonard B. Sand rejected AG's claims and held it in contempt. The Court of Appeals rejected AG's appeal from that decision, and the Supreme Court refused in June 1983 to consider the case. After the Supreme Court's ruling, Judge Sand ordered AG to produce its records or begin paying \$50,000 per day in contempt fines. AG refused to turn over the records, and also refused to pay the fines. Shortly thereafter, the Government learned that AG had attempted to secretly sell INTERNATIONAL -- its wholly-owned subsidiary and most substantial asset in the United States -- in an apparent effort to remove assets available to pay the fines. In response, the Government obtained numerous court-ordered restraints on and in connection with AG. On August 5, 1983, AG agreed to produce the Swiss documents and pay the accumulated fines.

Just four days later, however, an alert Customs agent seized two large steamer trunks loaded on an airplane that was about to depart for Switzerland. The trunks were filled with

documents of INTERNATIONAL that had also been subpoenaed by the federal grand jury. In subsequent court proceedings, INTERNATIONAL was ordered to produce all subpoenaed documents previously removed from this country to Switzerland as well as all other subpoenaed documents. In all, over one million documents were ultimately produced by INTERNATIONAL and over one-quarter of a million documents by AG. On August 12, 1983, however, the Swiss Government made the first of three seizures to prevent various AG documents from leaving Switzerland. While paying the contempt fines of \$50,000 per day, AG continued its resistance to the investigation, challenging the contempt order through five more unsuccessful motions and four more unsuccessful appeals to the Court of Appeals. In total, AG paid \$21,006,000 in contempt fines over a span of 15 months -- the largest contempt fine in U.S. history.

Although today's proceedings ends the contempt citation, as well as AG's obligation to produce certain documents pursuant to grand jury subpoena, the United States' request of the Swiss government for those same documents through a Swiss statute is still pending. As part of its plea agreement, AG may not interfere with the U.S. request.

INTERNATIONAL, and AG, which were sentenced today by Judge Shirley Kram, faced a maximum possible fine of \$10,000 on each of the 38 false statement counts to which each defendant pled guilty, for a total fine of \$380,000 apiece. INTERNATIONAL

also faced a maximum fine of \$10,000 on each of the two income tax evasion counts to which it pled guilty as well as the costs of prosecution.

CLYDE MELTZER, 38, a crude oil trader at INTERNATIONAL, also pled guilty today to aiding and assisting Marc Rich, Pincus Green, INTERNATIONAL and AG in preparing false and fraudulent invoices which concealed millions of dollars of INTERNATIONAL's taxable income from the Internal Revenue Service. The invoices, which were prepared by MELTZER while he was vice-president in charge of crude oil trading for Listo Petroleum, Houston, Texas, made it appear that INTERNATIONAL had purchased crude oil from Listo at high market prices when, in fact, INTERNATIONAL and Listo had agreed that the actual price was much lower and that Listo would hold the difference on its books for INTERNATIONAL. These concealed profits were later moved to foreign bank accounts of AG and a subsidiary through sham transactions. To accomplish this, MELTZER caused false documents to be prepared which made it appear that Listo had "lost" to AG supposed crude oil sales amounts equivalent to the concealed profits belonging to INTERNATIONAL. MELTZER, at the time of sentencing, could be sentenced to 3 years imprisonment, \$5000 in fines and the costs of prosecution.

Mr. Giuliani praised the extensive efforts of the Internal Revenue Service and the Federal Bureau of Investigation in the lengthy investigation. He also thanked the United States

Customs Service and the Department of Energy for their assistance.

Mr. Giuliani noted that the Marc Rich case had been a true team effort on the part of numerous Assistant United States Attorneys in his office, who had devoted substantial amounts of their time in connection with both the criminal and civil aspects of the case. In addition to Messrs. Weinberg and Auerbach, Mr. Giuliani singled out for praise Executive Assistant United States Attorney Jane W. Parver, who has supervised the case, Lawrence B. Pedowitz, former Chief of the Criminal Division, Howard Wilson, Chief of the Civil Division, the current Chief of the Criminal Division, Bart Schwartz, Assistant United States Attorneys Carolyn Simpson and Peter Salerno, former Assistant United States Attorney Richard Simpson, and Gerald Lynch, former Chief Appellate Attorney. Mr. Giuliani also thanked the attorneys in the Office of International Affairs in the Criminal Division and those in the Tax Division of the Department of Justice for their assistance throughout the investigation and expressed his appreciation to Carol Dinkins, Deputy Attorney General, for her aid in coordinating the overall disposition of this case.

Transmit attached by Facsimile - **UNCLAS**

Precedence Priority

b6
b7C

To: Director, F.B.I. - Attention: Supr. [redacted]
From: ADIS, N.Y. (196A-1774)
Subject: Marc Rich,
et al;
FBW;
OO: NY

Date: 10/11/84
Time Transmitted: 500
Initials: SL

☐ Fingerprint Photo ☐ Fingerprint Record ☐ Map ☐ Newspaper clipping ☐ Photograph
☐ Artists Conception ☒ Other Press Release

Special handling instructions:

Hand Carry to Supr. [redacted] Financial Crimes. 196-1774-330

b6
b7C

RVR

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-91 BY [redacted]

Approved: LFL/mup-3

b6
b7C

MI [redacted]

RVR

FBI

10.49

TELETYPE

PRIORITY

UNCLAS

10/11/84

PRIORITY

NEW YORK (196A-1774) () (C-1)

PRIORITY

~~DIRECTOR FBI (196B-2848)~~ 01262

ATTN: FINANCIAL CRIMES UNIT

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; FBW; RICO; MAIL
FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

MARC RICH AND COMPANY A.F. (AG) AND MARC RICH AND COMPANY
INTERNATIONAL, LIMITED, WHICH NOW CALLS ITSELF CLARENDON, LIMITED
(INTERNATIONAL), TODAY PLEADED GUILTY IN MANHATTAN FEDERAL COURT TO
38 FELONY COUNTS AND 40 FELONY COUNTS, RESPECTIVELY, IN CONNECTION
WITH THE LARGEST INCOME TAX EVASION PROSECUTION EVER BROUGHT BY THE
UNITED STATES. AS PART OF THE PLEAS, THESE DEFENDANTS PAID TO THE
UNITED STATES \$150,000,000.00. ADDITIONALLY, AG WAIVED ANY AND ALL

b6
b7C

196-1774-336

je

1 - New York

1 - Supervisor C-1

RVR:jci02V3

(2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY

Ment

RVR

Approved: JSJ/DmJ Transmitted 132/307 Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: Ch

CLAIMS FOR THE REFUND OF THE \$21,006,000.00 IN CRIMINAL CONTEMPT FINES THUS FAR PAID BY AG FOR ITS FAILURE TO TURN OVER SUBPOENAED DOCUMENTS FROM ITS SWISS OFFICE AS ORDERED BY THE COURT. MOREOVER, INTERNATIONAL HAS WAIVED AND WILL NOT BE ENTITLED TO OBTAIN ANY UNITED STATES TAX BENEFITS THAT MAY OTHERWISE HAVE BEEN AVAILABLE FOR THAT PART OF THE \$150,000,000.00 NORMALLY ALLOCATABLE TO INTEREST AND OTHER DEDUCTIBLE EXPENSES. THE VALUE OF THOSE TAX BENEFITS CAN BE ESTIMATED IN THE TENS OF MILLIONS OF DOLLARS, THEREBY PROVIDING TO THE UNITED STATES, IN CONNECTION WITH TODAY'S PLEAS, AN OVERALL AMOUNT APPROXIMATING \$200,000,000.00.

THE PLEAS WERE TAKEN TODAY BEFORE THE HONORABLE SHIRLEY WOHL KRAM, UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK (SDNY).

IN ANNOUNCING TODAY'S PLEAS, RUDOLPH W. GIULIANI, UNITED STATES ATTORNEY FOR SDNY, EXPLAINED THAT THE PLEAS AND PAYMENT BY AG AND INTERNATIONAL IN NO WAY SATISFIED ANY OF THE CRIMINAL CHARGES PENDING AGAINST MARC RICH AND PINCUS GREEN PERSONALLY OR EXONERATED THEM FROM CIVIL LIABILITIES. RICH AND GREEN REMAIN FUGITIVES SUBJECT TO PROSECUTION ON 65 FELONY COUNTS BROUGHT UNDER INDICTMENTS

FILED AGAINST THEM IN SEPTEMBER, 1983 AND MARCH, 1984. CLYDE MELTZER, ANOTHER DEFENDENT INDICTED ALONG WITH RICH AND GREEN AND PRESENTLY A CRUDE OIL TRADER FOR INTERNATIONAL, PLEADED GUILTY TODAY, HOWEVER, AND WILL BE SENTENCED BY THE COURT AT A LATER DATE.

VZCZCNY0307

PP HQ

DE NY #0132 2862304

ZNY UUUUU

R 122026Z OCT 84

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (196B-2848) PRIORITY

ATTN: FINANCIAL CRIMES UNIT

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; FBW; RICO; MAIL
FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

MARC RICH AND COMPANY A.F. (AG) AND MARC RICH AND COMPANY
INTERNATIONAL, LIMITED, WHICH NOW CALLS ITSELF CLARENDON, LIMITED
(INTERNATIONAL), TODAY PLEADED GUILTY IN MANHATTAN FEDERAL COURT TO
38 FELONY COUNTS AND 40 FELONY COUNTS, RESPECTIVELY, IN CONNECTION
WITH THE LARGEST INCOME TAX EVASION PROSECUTION EVER BROUGHT BY THE
UNITED STATE. AS PART OF THE PLEAS, THESE DEFENDANTS PAID TO THE
UNITED STATE \$150,000,000.00. ADDITIONALLY, AG WAIVED ANY AND ALL

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

336
196-1774-
J
MLW

PAGE TWO DE NY 0132 UNCLAS

CLAIMS FOR THE REFUND OF THE \$21,006,000.00 IN CRIMINAL CONTEMPT FINES THUS FAR PAID BY AG FOR ITS FAILURE TO TURN OVER SUBPOENAED DOCUMENTS FROM ITS SWISS OFFICE AS ORDERED BY THE COURT. MOREOVER, INTERNATIONAL HAS WAIVED AND WILL NOT BE ENTITLED TO OBTAIN ANY UNITED STATES TAX BENEFITS THAT MAY OTHERWISE HAVE BEEN AVAILABLE FOR THAT PART OF THE \$150,000,000.00 NORMALLY ALLOCATABLE TO INTEREST AND OTHER DEDUCTIBLE EXPENSES. THE VALUE OF THOSE TAX BENEFITS CAN BE ESTIMATED IN THE TENS OF MILLIONS OF DOLLARS, THEREBY PROVIDING TO THE UNITED STATES, IN CONNECTION WITH TODAY'S PLEAS, AN OVERALL AMOUNT APPROXIMATING \$200,000,000.00.

THE PLEAS WERE TAKEN TODAY BEFORE THE HONORABLE SHIRLEY WOHL KRAM, UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK (SDNY).

IN ANNOUNCING TODAY'S PLEAS, RUDOLPH W. GIULIANI, UNITED STATES ATTORNEY FOR SDNY, EXPLAINED THAT THE PLEAS AND PAYMENT BY AG AND INTERNATIONAL IN NO WAY SATISFIED ANY OF THE CRIMINAL CHARGES ENDING AGAINST MARC RICH AND PINCUS GREEN PERSONALLY OR EXONERATED THEM FROM CIVIL LIABILITIES. RICH AND GREEN REMAIN FUGITIVES

PAGE THREE DE NY 0132 UNCLAS

SUBJECT TO PROSECUTION ON 65 FELONY COUNTS BROUGHT UNDER INDICTMENTS
FILED AGAINST THEM IN SEPTEMBER, 1983 AND MARCH, 1984. CLYDE
MELTZER, ANOTHER DEFENDENT INDICTED ALONG WITH RICH AND GREEN AND
PRESENTLY A CRUDE OIL TRADER FOR INTERNATIONAL, PLEADED GUILTY
TODAY, HOWEVER, AND WILL BE SENTENCED BY THE COURT AT A LATER DATE.

BT

#0132

~~SECRET~~

Best Copy Available

Handwritten symbols and markings, including a large 'C' and several 'U' characters, some of which are crossed out with a diagonal line.

7 ~~(S)~~ (U)

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

White Copy w/
Squad #32

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1, 6

~~SECRET~~

b6
b7C

~~5~~

196-1774-337

100-443886-100

~~SECRET~~

Best Copy Available

~~(S)~~ (U)

~~(S)~~ (U)

~~(S)~~ (U)

~~(S)~~ (U)

~~SECRET~~

Best Copy Available

~~(S)~~ (U)

~~(S)~~ (U)

~~SECRET~~

Best Copy Available

[REDACTED]

b7D
b7F

[REDACTED]

(S)(U)

[REDACTED]

b7D
b7F

[REDACTED]

(S)(U)

[REDACTED]

b7D
b7F

[REDACTED]

(S)(U)

[REDACTED]

b7D
b7F

[REDACTED]

(S)(U)

~~SECRET~~

Best Copy Available

~~(S)~~ (U)

[

] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

10.18

FD-36 (Rev. 5-22-78)

~~SECRET~~

FBI

TELETYPE

PRIORITY

~~Secret~~
UNCLAS

10/9/84

See Corrections
pg 1, 2, 4, 8+10

copy made

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR-FBI-(196-2848)

ATTN: SUPERVISOR [redacted]

FCU

-NEW-HAVEN-(-)-(-)-1510

ATTN: SA [redacted]

b6
b7C

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

This communication is classified "Secret" in its entirety
REFERENCE NEW YORK (NY) TELETYPES TO DIRECTOR, FEBRUARY 3,
1984, FEBRUARY 23, 1984, MAY 24, 1984, JULY 31, 1984 AND SEPTEMBER
11, 1984, CAPTIONED ABOVE, AND NY TELEPHONE CALLS TO LEGAT, BONN AND
NEW HAVEN SA [redacted] OCTOBER 4, 1984.

b6
b7C

196-1774-338

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor C-1
WMM:dag079V3
(2)

-2-22-01
CLASSIFIED BY [redacted]
REASON: 1.5 (2, 2)
DECLASSIFY ON: X 1, 6

b6
b7C

Approved: LFL/BSV Transmitted 110/188 Per [redacted]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: clm

~~SECRET~~

~~SECRET~~

b6 11, 1984, CAPTIONED ABOVE, AND NY TELEPHONE CALLS TO LEGAT, BONN AND
b7C NEW HAVEN SA [REDACTED] OCTOBER 4, 1984.

b6 THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES ON
b7C RECENT DEVELOPMENTS IN CAPTIONED MATTER. IN ADDITION, THIS TELETYPE
b7D IS BEING SUBMITTED AS A FOUNDATION FOR [REDACTED]
b7E [REDACTED] BY SAS [REDACTED] AND [REDACTED]
[REDACTED]

REFERENCED TELETYPES, DATED FEBRUARY 3, 1984 AND FEBRUARY 23,
1984, PROVIDE DETAILS OF [REDACTED]

b7D
b7F
b7E

[REDACTED] (S) (U)
REFERENCED NY TELETYPE, DATED MAY 24, 1984, DOCUMENTS [REDACTED]
[REDACTED]

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7E

[REDACTED]
[REDACTED] (US). THIS TELETYPE SETS FORTH THE
NECESSITY FOR [REDACTED] SAS [REDACTED]

b6
b7C
b3
b7E

REFERENCED NY TELETYPES, DATED JULY 31, 1984 AND SEPTEMBER 11,
1984, PROVIDE INFORMATION. REFERENCE [REDACTED]

[REDACTED] (S) (U)
FOR INFORMATION OF RECEIVING OFFICES. A SENSITIVE AND RELIABLE
SOURCE HAS [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]
[REDACTED] BASED ON INFORMATION FROM THIS SOURCE AND
INVESTIGATION BY NY AGENTS, THE FOLLOWING DEVELOPMENTS HAVE BEEN
UNCOVERED. (S) (U)

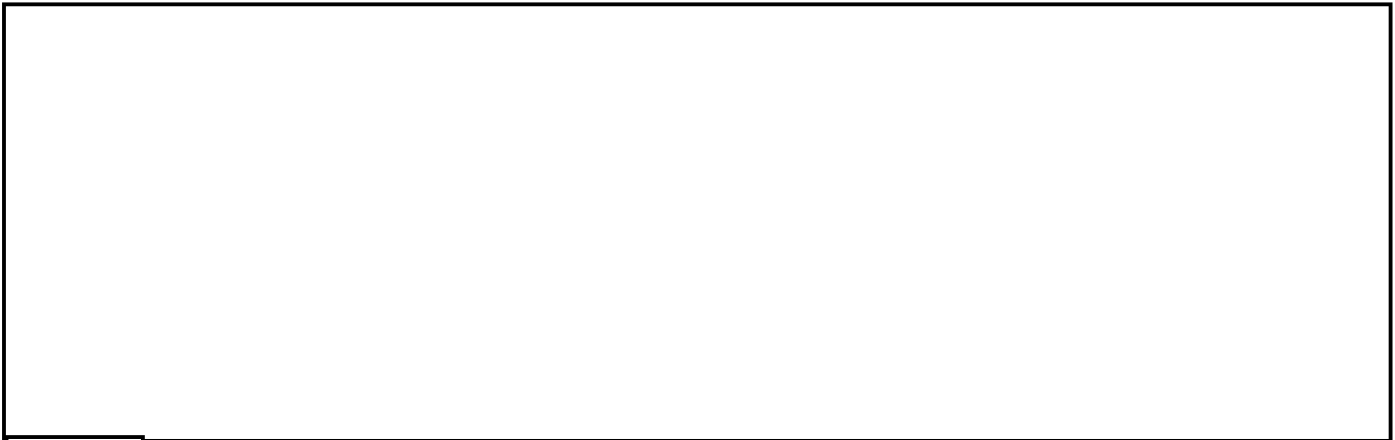
b6
b7C
b7D
b7F
b7E

ON OCTOBER 3, 1984, [REDACTED]
[REDACTED] (S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

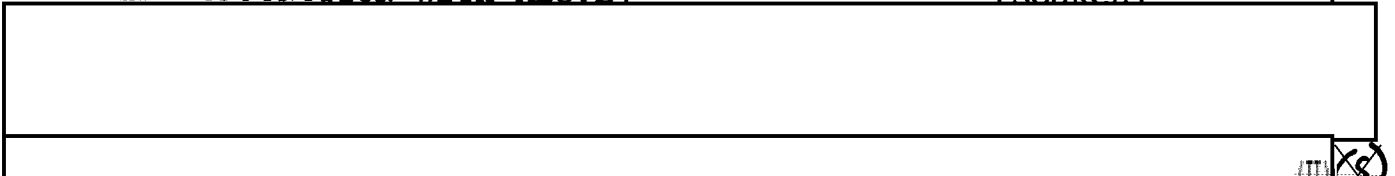


~~(S)~~ (U)

b6
b7C
b7D
b7F

IN CONJUNCTION WITH ABOVE

SOURCE



~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE LEARNED THAT

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(U)~~

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

(U)

00 OCTOBER 5, 1984. SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

IN REGARD TO ~~SECRET~~ [REDACTED]

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

[REDACTED]

FBIHQ AND LEGAT, BONN VIA ~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

SEPARATE TELETYPE. ~~(S)~~ (U)

DURING

b6
b7C
b7D
b7F
b7E

b6
b7C
b7D
b7F
b7E

IN REGARD TO

~~SECRET~~

~~SECRET~~

SAS IN REGARD TO

SAS

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

ONCE A [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

b6
b7C
b7E

IN REGARD TO PROSECUTION OF RICH AND GREEN IN THE US, ON OCTOBER 5, 1984, AUSA [REDACTED], SDNY, REAFFIRMED THE SDNY'S PREVIOUS PROSECUTIVE POSITION CONCERNING THE RICH CASE. HE REQUESTED THE FBI CONTINUE ITS EFFORTS [REDACTED]

[REDACTED] THE SDNY FOR TRIAL ON CHARGES HANDED DOWN, IN THE AUGUST, 1983, INDICTMENT.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELTYPE TO LEGATS BONN AND BERN.

ADMINISTRATIVE

~~SECRET~~

~~SECRET~~

b7D
b7F

[] SOURCE IS [] ~~(S)~~ (U) SOURCE'S IDENTITY MUST BE PROTECTED AS HE AND HIS FAMILY WILL BE IN PHYSICAL DANGER IF HIS IDENTITY IS DISCLOSED.

~~Q by b-3, DECL, QADR~~

~~SECRET~~

b6
b7c

~~SECRET~~

VZCZONY018:

PP HQ FI

DS NY 103 1034Z
ZNY 00000

R 111452Z OCT 8

FM FBI HQ (196A-1774) (P) (C-1)

TO DIRECTOR FBI (100-2-42) PRIORITY

ATTN: SUPERVISOR [REDACTED]

FCI

b6
b7c

FBI NEW YORK PRIORITY

ALIA: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

MARX RICO - FUGITIVE; PINCUS GREEN FUGITIVE; ET AL; BRW; MF; RICO;
RECOMMENDATION; TRADING WITH THE ENEMY; CO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REFERENCE: NEW YORK (NY) TELETYPES TO DIRECTOR, FEBRUARY 3,

1984, MARCH 23, 1984, MAY 24, 1984, JULY 31, 1984 AND SEPTEMBER

11, 1984, CAPTIONED ABOVE, AND NY TELEPHONE CALLS TO LEGAT, BONN AND

196 - 1774 - 338

2-22-01

CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1, 6

b6
b7c

~~SECRET~~

Je

new

~~SECRET~~

PAGE TWO DE NY TELETYPE SECTION 1 OF 2
NEW HAVEN A [REDACTED] SEP 4 1984

b6
b7C

THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES ON
RECENT DEVELOPMENTS IN CAPTIONED MATTER. IN ADDITION, THIS TELETYPE
IS BEING SUBMITTED AS A FOUNDATION FOR [REDACTED]

BY [REDACTED]

b6
b7C
b7D
b7E

REFERENCE TELETYPE DATED FEBRUARY 3, 1984 AND FEBRUARY 23,
1984, PROVIDE DETAILS OF [REDACTED]

b7D
b7F
b7E

(S) (U)

REFERENCE NY TELETYPE DATED MAY 24, 1984. DOCUMENTS [REDACTED]

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 100-~~SECRET~~ SECTION 1 OF 2

[REDACTED]
[REDACTED] THIS TELETYPE SETS FORTH THE
NECESSITY FOR [REDACTED] SAS [REDACTED]

b6
b7C
b7D
b7E

REFERENCE NY TELETYPE, DATED JULY 31, 1984 AND SEPTEMBER 11,
1984, PROVIDE INFORMATION REFERENCE [REDACTED]

[REDACTED] ~~(S)~~ (U) ~~DOX~~

b6
b7C
b3
b7E

FOR INFORMATION OF RECEIVING OFFICES, A SENSITIVE AND RELIABLE
SOURCE HAS [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] BASED ON INFORMATION FROM THIS SOURCE AND
INVESTIGATION BY NY AGENTS, THE FOLLOWING DEVELOPMENTS HAVE BEEN
UNCOVERED. ~~(S)~~ (U)

ON OCTOBER 5, 1984, [REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0104 ~~SECRET~~ SECTION 1 OF 2

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

IN CONSTRUCTION WITH ABOVE

SOURCE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 410 - S.C. SECTION 1 OF 1

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE ONE OF TWO - NO E E 4 SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~(U)

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

SOURCE STATED THAT

b6
b7C
b7D
b7F

~~(S)~~(U)

~~SECRET~~

FILE NO.

~~SECRET~~

REF ID: A66142

ZETPSSSS

01312700 000

01312700 000 (2) (2-1)

TO DIRECTOR (100-3848) (100-3848)

RE: NEW YORK ACTION

RE

S E G SECTION OF

b6
b7C
b7D
b7F

(S) (U)

OF 600000 1981 SOURCE ADVISED

b7D
b7F

(S) (U)

~~SECRET~~

~~SECRET~~

PAGE TWO NY 1010 1000 7/1 SECTION 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO

SOURCE ADVISED

b6
b7C
b7D
b7F
b7E

TO FIELD AND TEAS BORN VIA

SEPARATE LINE 1000 ~~(S)~~ (U)

DURING

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

LAUNCHING OF THE 110

SECRETORY OF

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

IN ORDER TO

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

IN ORDER TO

WAS

b6
b7C
b7D
b7E

~~(S)~~(U)

~~SECRET~~

~~SECRET~~

SECURITY INFORMATION SECTION

b6
b7C
b7D
b7F
b7E

(S)(U)

(S)(U)

b7D
b7F
b7E

(S)(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

[REDACTED]

IN REGARD TO PROSECUTION OF RICH AND GALEY IN THE US. ON
OCTOBER 5, 1982, LUS [REDACTED] SONY, REAFFIRMED THE SONY'S
PREVIOUS PROSECUTIVE POSITION CONCERNING THE RICH CASE. [REDACTED]
REQUESTED THE FBI CONTINUE ITS EFFORTS TO LO [REDACTED]

b6
b7C
b7E

[REDACTED] IS SONY FOR LIAL
OF CHARGE IS HANDLED DOWN IN FEBRUARY 1983, IN SECRET.

BUROAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS BOMB AND [REDACTED]

ADMINISTRATIVE

~~SECRET~~

~~SECRET~~

(12)

b7D
b7F

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~X~~

PAGE FOUR DE BT 126 ~~TOP SECRET~~

TECHNOLOGICAL SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S
IDENTITY IS DISCLOSED.

~~C BY G-2; DEFEAT; OADR.~~

BT

#0126

~~SECRET~~

b6
b7C

10.74

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

10/11/84

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI (196-2848) 52352
PRIORITY
NEW HAVEN ()

ATTN: SPECIAL AGENT [REDACTED]

b6
b7C

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY, OO:NY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REFERENCE NEW YORK TEL TO DIRECTOR, DATED OCTOBER 10, 1984.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, REFERENCED

2-22-01

CLASSIFIED BY [REDACTED]

REASON: 1.5 (2) (d)

DECLASSIFY ON: X 1, 6

b6
b7C

① - New York 196A-1774
1 - Supervisor C-1
WMM:cb021V3
(2) cb C-1

196-1774-339

Approved: [Signature]

Transmitted

125/298

Per [Signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM [REDACTED]

WP Initials: [Signature]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

b6
b7C

~~SECRET~~

TEL PROVIDED DETAILS OF [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
DURING [REDACTED] OCTOBER 10, 1984, A SENSITIVE AND
RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
IN VIEW OF THE ABOVE, [REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F
b3
b7E

[REDACTED] ~~(S)~~ (U) ~~SECRET~~

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TEL TO
LEGATS BONN AND BERN.

ADMINISTRATIVE

b7D
b7F

[REDACTED] SOURCE IS [REDACTED] ~~(S)~~ (U) SOURCE'S IDENTITY MUST BE PRO-
TECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S

~~SECRET~~

~~SECRET~~

IDENTITY IS DISCLOSED.

C BY G-3, ~~DECL~~; OADR.

~~SECRET~~

~~SECRET~~

FF HQ NY

LA NY 100-175 1080 215g

R 122287Z OCT 64
FM FBI NEW YORK (196-44774) (P) (C-1)
TO DIRECTOR, FBI (156-2848) PRIORITY
FBI NEW HAVEN PRIORITY

b6
b7C

BT

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-22-01
CLASSIFIED BY
REASON: 1.5
DECLASSIFY ON

MARC NICH - FUGITIVE; VINCOUS GREEN - FUGITIVE; ET AL; FBW; MF; RJCO;
INCOMPLETE AVAILON; TRADING WITH THE ENEMY, CO:NY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.
REFERENCE NEW YORK TEL TO DIRECTOR, DATED OCTOBER 1, 1984.

196-1774-339

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, REFERENCED
 PROVIDED DETAIL OF [REDACTED]

~~SECRET~~

b7D
b7F

~~SECRET~~

PAGE 517 DE NY ~~105~~ 105

b6
b7C
b7D
b7E

~~(S)~~ U

DURING [REDACTED] OCTOBER 19, 1964. A SENSITIVE AND RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7E

~~(S)~~ U

IN VIEW OF THE FACTS

~~SECRET~~

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE THREE DM BY 0125 ~~SECRET~~

b6
b7C
b7D
b7F

SOURCE ADVISED

b6
b7C
b7D
b7F
b3
b7E

~~(S)~~(U)

RECORDING OFFICES WILL BE KEPT APPRIS'D OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

YOU ARE REQUESTED TO DISSEMINATE CONTENTS OF THIS TEL TO
LEGATS BOMB AND BERN.

ADMINISTRATIVE

SOURCE IS

~~(U)~~ SOURCE'S IDENTITY MUST BE PRO-

b7D
b7F

~~SECRET~~

b6
b7C

~~SECRET~~

ZCZCNY0532

PP HQ NH WFO

DE NY #0122 2912120

ENY SSSSS

R 172058Z OCT 84

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

b6
b7C

FBI WASHINGTON FIELD (INFO) PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REFERENCE NEW YORK TELETYPES, DATED OCTOBER 11 AND 12, 1984;

TELEPHONE CALLS BETWEEN LEGAT, BONN, AND NEW YORK, OCTOBER 12, 1984.

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (cd)
DECLASSIFY ON: X1, 6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

196-1774-340

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
OCT 18 1984	
FBI - NEW YORK	

[Handwritten signature]

PAGE TWO DE NY 0122 ~~SECRET~~ SECTION 1 OF 2

6, 1984; TELEPHONE CALLS BETWEEN BUREAU AND NEW YORK. OCTOBER 11,
5, 16, 1984; TELEPHONE CALLS TO NEW HAVEN, SPECIAL AGENT [REDACTED]
[REDACTED] OCTOBER 12 AND 16, 1984, AND BUREAU TELETYPE, DATED OCTOBER
3, 1984, CAPTIONED [REDACTED] (~~S~~) (U)

b6
b7C
b7E

REFERENCED TELETYPES AND TELEPHONE CALLS CONCERNED [REDACTED]
[REDACTED]
[REDACTED] ~~SECRET~~
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F
b3
b7E

THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES
REGARDING RECENT DEVELOPMENTS IN CAPTIONED MATTER.

b7D
b7F

ON [REDACTED]
[REDACTED] (~~S~~) ~~SECRET~~
(U)

b7D
b7F

~~(S)~~(U)

UNLESS

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

SOURCE ADVISED THE

b6
b7C
b7D
b7F

~~(S)~~(U)
SECRET

AGE FOUR DE NY 0122 ~~S E C R E T~~ SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

BEFORE

ACCORDING TO SOURCE,

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)
SECRET

PAGE FIVE DE NY 0122 ~~SECRET~~ SECTION 1 OF 2

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

ARE MAKING ARRANGEMENTS TO

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

REFERENCED NY TELETYPE, DATED OCTOBER 11, 1984, NOTED THAT

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

SOURCE SAID THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0122

~~SECRET~~

VZCZCNY0533

PP HQ NH WFO

DE NY #0123 2912120

ZNY SSSSS

R 172058Z OCT 84

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

FBI WASHINGTON FIELD (INFO) PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

SOURCE ADVISED THAT [REDACTED]

b6
b7C
b7D
b7F

(S)(U)

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS [REDACTED]

~~(S)~~(U) SOURCE'S IDENTITY MUST

b7D
b7F

~~SECRET~~

PAGE TWO DE NY 0123 ~~SECRET~~ SECTION 2 OF 2

BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

FOR INFORMATION OF RECEIVING OFFICES, FEDERAL BUREAU OF
INVESTIGATION HEADQUARTERS (FBIHQ) ADVISED BY SECURE TELEPHONE AND
BY OCTOBER 13, 1984 TELETYPE, CAPTIONED: [REDACTED] ~~OF~~ POSSIBILITY
THAT SOURCE'S [REDACTED] BUREAU ADVISED
THAT FORMER SPECIAL AGENT (SA) [REDACTED] LOS ANGELES (LA)
DIVISION, [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] IT WAS NOTED BY HEADQUARTERS AND LA THAT [REDACTED] ~~CASE~~
AGENT [REDACTED]

[REDACTED]

[REDACTED] (S) (U)

~~SECRET~~

PAGE THREE DE NY 0123 ~~SECRET~~ SECTION 2 OF 2

HOWEVER, IF TAKEN IN TOTAL, THE COMMUNICATIONS MIGHT COMPROMISE
SOURCE'S IDENTITY BECAUSE OF THE SINGULAR NATURE OF THE INFORMATION
PROVIDED. ~~(S)~~ (U)

ON [REDACTED] SOURCE AND ADVISED

SOURCE OF [REDACTED]

b6
b7C
b7D
b7F

WILLING TO CONTINUE ASSISTING THE FEDERAL BUREAU OF INVESTIGATION ~~(S)~~ (U)
(FBI). ~~(S)~~ (U)

THE ABOVE IS PROVIDED FOR INFORMATION OF RECEIVING OFFICES AND
FOR PARTICULAR INFORMATION OF WASHINGTON FIELD OFFICE (WFO) SA
[REDACTED] ALTERNATE SOURCE CASE AGENT.

b6
b7C

BUREAU AND RECEIVING OFFICES WILL BE KEPT APPRISED OF
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

~~SECRET~~

~~SECRET~~
PAGE FOUR DE NY 0123 ~~SECRET~~ SECTION 2 OF 2

BUREAU IS REQUESTED TO PROVIDE CONTENTS OF THIS TELETYPE TO
LEGATS BONN AND BERN FOR INFORMATION.

~~C BY G-3; DPCL: OADR~~

BT

#0123

~~SECRET~~

FD-36 (Rev. 5-22-78)

b6
b7C

FBI

10.84

TELETYPE

PRIORITY

~~SECRET~~

10/16/84

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

~~DIRECTOR FBI (196-2848)~~ 2209Z

PRIORITY

~~NEW HAVEN (-)~~ 2136Z

ATTN: SPECIAL AGENT [redacted]

b6
b7C

PRIORITY

~~WASHINGTON FIELD (INFO)~~ 2223Z

ATTN: SPECIAL AGENT [redacted]

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

b6
b7C

2-22-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6

1 - New York
1 - Supervisor C-1
WMM:bla038V2
(2)

196-1774-340

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
OCT 18 1984	
FBI - NEW YORK	

122/532

Approved: [signature]

Transmitted

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [signature]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

b6
b7C
b7E

REFERENCE NEW YORK TELETYPES, DATED OCTOBER 11 AND 12, 1984;
TELEPHONE CALLS BETWEEN LEGAT, BONN, AND NEW YORK, OCTOBER 12, 15,
16, 1984; TELEPHONE CALLS BETWEEN BUREAU AND NEW YORK, OCTOBER 11,
15, 16, 1984; TELEPHONE CALLS TO NEW HAVEN, SPECIAL AGENT [REDACTED]
[REDACTED] OCTOBER 12 AND 16, 1984. AND BUREAU TELETYPE, DATED OCTOBER
13, 1984, CAPTIONED [REDACTED] (S) (U)

REFERENCED TELETYPES AND TELEPHONE CALLS CONCERNED [REDACTED]

b6
b7C
b7D
b7F
b3
b7E

[REDACTED] (S) (U)

THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES
REGARDING RECENT DEVELOPMENTS IN CAPTIONED MATTER.

b7D
b7F

ON [REDACTED] (S) (U)

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

UNLESS [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED THE [REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

--

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

--

~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

BEFORE

--	--	--

ACCORDING TO SOURCE.

~~(S)~~

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

[REDACTED]

ARE MAKING ARRANGEMENTS TO

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

REFERENCED NY TELETYPE, DATED OCTOBER 11, 1984, NOTED THAT

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE SAID THE

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED THAT

[REDACTED]

~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F

[REDACTED] (S) (U)

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS [REDACTED] (S) (U) SOURCE'S IDENTITY MUST BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS DISCLOSED.

b7D
b7F

FOR INFORMATION OF RECEIVING OFFICES, FEDERAL BUREAU OF INVESTIGATION HEADQUARTERS (FBIHQ) ADVISED BY SECURE TELEPHONE AND BY OCTOBER 13, 1984 TELETYPE, CAPTIONED [REDACTED] OF POSSIBILITY THAT SOURCE'S [REDACTED] BUREAU ADVISED THAT FORMER SPECIAL AGENT (SA) [REDACTED] LOS ANGELES (LA) DIVISION, [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] IT WAS NOTED BY HEADQUARTERS AND LA THAT [REDACTED] CASE AGENT [REDACTED]

[REDACTED]

(S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

✓ ~~(S)~~
[REDACTED]
HOWEVER, IF TAKEN IN TOTAL, THE COMMUNICATIONS MIGHT COMPROMISE
SOURCE'S IDENTITY BECAUSE OF THE SINGULAR NATURE OF THE INFORMATION
PROVIDED. ~~(S)~~ (U)

ON [REDACTED] SOURCE AND ADVISED
SOURCE OF [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]
WILLING TO CONTINUE ASSISTING THE FEDERAL BUREAU OF INVESTIGATION
(FBI). ~~(S)~~ (U)

THE ABOVE IS PROVIDED FOR INFORMATION OF RECEIVING OFFICES AND

~~SECRET~~

~~SECRET~~

FOR PARTICULAR INFORMATION OF WASHINGTON FIELD OFFICE (WFO) SA
[REDACTED] ALTERNATE SOURCE CASE AGENT.

b6
b7C

BUREAU AND RECEIVING OFFICES WILL BE KEPT APPRISED OF
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO PROVIDE CONTENTS OF THIS TELETYPE TO
LEGATS BONN AND BERN FOR INFORMATION.

C BY G-3; ~~DECL:~~ OADR

~~SECRET~~

~~SECRET~~

MARC RICH-Fugitive
PINCUS GREEN-Fugitive
et al
FBW:MF: RICO:TAX EVASION:
TRADING WITH THE ENEMY
OO:NY

b7E

196B-2848

Bureau File Number

196A-1774

Field Office File Number

C-i

Squad or RA Number

Agent's Social Security No. _____

Investigative Assistance or Technique Used

Were any of the investigative assistance or techniques listed below used in connection with accomplishment being claimed? ☒ No ☐ Yes - If Yes, rate each used as follows

b6
b7C

- 1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

16 Show Money	Rating
Usage	

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab. Div. Field Support	Rating	17. Surveil. Sqd Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen. Registers		18. SWAT Team Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrants Executed		21. Visual Invest. Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)				D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)				
				Property or PELP Type Code	Recoveries	Restitutions	Court Ordered Forfeitures	Potential Economic Loss Prevented
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)								
Subject Priority (See Reverse)								
A				B				
C								
FBI Arrests								
FBI Locates								
Number of Subjects of FBI Arrests Who Physically Resisted _____								
Number of Subjects of FBI Arrests Who Were Armed _____								
Criminal Summons _____ Subpoenas Served _____								
C. Release of Hostages or Children Located: (Number of Hostages or Children Located)				E. Civil Matters				
Hostages Held By Terrorists _____; All Other Hostage Situations _____				Amount of Suit		Government Defendant		Government Plaintiff
Missing or Kidnapped Children Located _____				Settlement or Award				
								Enter AFA Payment Here

F. Final Judicial Process: Judicial District _____
 District _____ State _____ Dates _____
 Convictions (or Final Judicial Process) Date _____ Sentence Date _____
 Subject 1 - Name - _____ Subject's Description Code* - _____

<input type="checkbox"/> Pretrial <input type="checkbox"/> Overturn <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	<input type="checkbox"/> -Convictions- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced.	<input type="checkbox"/> Felony <input type="checkbox"/> Misdemeanor <input type="checkbox"/> Plea <input type="checkbox"/> Trial	<table border="1"> <thead> <tr> <th colspan="3">Conviction</th> </tr> <tr> <th>Title</th> <th>Section</th> <th>Counts</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </tbody> </table>	Conviction			Title	Section	Counts													<table border="1"> <thead> <tr> <th colspan="7">Combined Sentence</th> </tr> <tr> <th colspan="2">In-Jail Term</th> <th colspan="2">Suspended</th> <th colspan="2">Probation</th> <th rowspan="2">Total Fines</th> </tr> <tr> <th>Yrs</th> <th>Mos</th> <th>Yrs</th> <th>Mos</th> <th>Yrs</th> <th>Mos</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> <td>\$</td> </tr> </tbody> </table> <p>Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Atty Gen, but 8 years are suspended, the In-Jail term would be 2 years.</p>	Combined Sentence							In-Jail Term		Suspended		Probation		Total Fines	Yrs	Mos	Yrs	Mos	Yrs	Mos							\$
	Conviction																																																
	Title	Section	Counts																																														
Combined Sentence																																																	
In-Jail Term		Suspended		Probation		Total Fines																																											
Yrs	Mos	Yrs	Mos	Yrs	Mos																																												
						\$																																											

Subject 2 - Name -		Subject's Description Code*											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	Convictions- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced	<input type="checkbox"/> Felony <input type="checkbox"/> Misd- <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			Combined Sentence							
			Title	Section	Counts	In-Jail Term		Suspended		Probation		Total Fines	
						Yrs	Mos	Yrs	Mos	Yrs	Mos		
													\$
Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Atty Gen, but 8 years are suspended, the In-Jail term would be 2 years.													

Subject 3 - Name -		Subject's Description Code -										
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	-Convictions- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced.	<input type="checkbox"/> Felony <input type="checkbox"/> Misd- <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			Combined Sentence						
			Title	Section	Counts	In-Jail Term		Suspended		Probation		Total Fines
						Yrs	Mos	Yrs	Mos	Yrs	Mos	
Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Att. Gen. but 8 years are suspended, the In-Jail term would be 2 years.												
196-1774-341												

Attach additional forms if reporting final judicial process on more than three subjects, and submit a final disposition form (A-84) for each subject.

Remarks:

On 10/11/84 Marc Rich & Co, A.G. and Marc Rich & Co., International, Ltd. plead guilty, respectively, to 38 and 40 felony counts of income tax evasion. \$150,000,000.00 in tax and penalties were paid at the time of the plea.

2-Bureau (1)-196-1774 1-IAU 1-M-1 Supr. 1-66-8492

x-I.R.S. and U.S. Customs

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

2 - Bureau
2 - Field Office

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction, or court operations. Identify the other Federal, State or Local Law Enforcement (LE) agency in the Remarks Section.

•• In joint operations, identify the other Federal, State or Local Law Enforcement (LE) agency in the Remarks Section.

b6

b7c

FBI/DOJ

FD-36 (Rev. 5-22-78)

b6
b7C

10.70

FBI

TELETYPE

PRIORITY

~~SECRET~~

10/18/84

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

~~DIRECTOR FBI (196-2848) (1)~~ 23/87

~~NEW HAVEN (1) (1)~~

ATTN: SA [redacted]

0003

b6
b7C

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" ~~IN ITS ENTIRETY~~

REFERENCE NEW YORK (NY) TELETYPE TO DIRECTOR, DATED OCTOBER 16,
1984, AND NY TELEPHONE CALLS TO LEGAT, BONN, DATED OCTOBER 17, 1984
AND OCTOBER 18, 1984.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

196-1774-342

1 - New York
1 - Supervisor C-1
RVR:dag037V1
(2)

2-22-01 [redacted]
CLASSIFIED BY [redacted]
REASON 1.5 (C, d)
DECLASSIFY ON: X 1, 6

b6
b7C

Approved: [signature] Transmitted 130/693 Per [signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [signature]

~~SECRET~~

~~SECRET~~

b7D
b7F

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES. [REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

ON OCTOBER 17, 1984 AND OCTOBER 18, 1984, A SENSITIVE AND
RELIABLE [REDACTED] SOURCE [REDACTED]
[REDACTED] PROVIDED THE
FOLLOWING INFORMATION. (S) (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

[REDACTED] (U) (S)

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE LEARNED, [REDACTED]

[REDACTED] ~~(S)~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b3
b7E

- [REDACTED] (~~S~~)(U)
- 1) [REDACTED] (~~S~~)(U)
- 2) [REDACTED] (~~S~~)(U)
- 3) [REDACTED] (~~S~~)(U)
- 4) [REDACTED] (~~S~~)(U)
- [REDACTED] (~~S~~)(U)

IN ANY EVENT, [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~)(U)

ADMINISTRATIVE

~~SECRET~~

~~SECRET~~

b7D
b7F

SOURCE MENTIONED ABOVE IS ~~(S)~~ (U) SOURCE'S IDENTITY MUST BE PROTECTED.

BUREAU IS REQUESTED TO PROVIDE CONTENTS OF THIS TELETYPE TO LEGATS, BONN AND BERN.

~~C BY G-3, DECE: OADR.~~

~~SECRET~~

b6
b7C

VZCZCNY0693

PP HQ NH

DE NY #0130 2932123

ZNY SSSSS

R 192003Z OCT 84

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

b6
b7C

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REFERENCE NEW YORK (NY) TELETYPE TO DIRECTOR, DATED OCTOBER 16,
1984, AND NY TELEPHONE CALLS TO LEGAT, BONN, DATED OCTOBER 17, 1984
AND OCTOBER 18, 1984. *gr*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-22-01 [REDACTED]
CLASSIFIED BY [REDACTED]
REASON: 1.5 (c, d)
DECLASSIFY ON: X 1, 6

b6
b7C

~~SECRET~~

PAGE TWO DE NY 0130 ~~SECRET~~

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, [REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

ON OCTOBER 17, 1984 AND OCTOBER 18, 1984, A SENSITIVE AND
RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] PROVIDED THE
FOLLOWING INFORMATION. ~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

PAGE THREE DE NY 0130 ~~S E C R E T~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE LEARNED,

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

b7D
b7F

[REDACTED]

~~(S)~~ (U)

1)

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F
b3
b7E

2)

[REDACTED]

~~(S)~~ (U)

3)

[REDACTED]

[REDACTED]

~~(S)~~ (U)

4)

[REDACTED]

[REDACTED]

~~(S)~~ (U)

IN ANY EVENT,

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

PAGE FIVE DE NY 0130 ~~SECRET~~

~~SECRET~~

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS ^(U) SOURCE'S IDENTITY MUST
BE PROTECTED.

b7D
b7F

BUREAU IS REQUESTED TO PROVIDE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN.

~~C BY G-3, DECL: OADR.~~

BT

#0130

~~SECRET~~

~~SECRET~~



U.S. Department of Justice

Federal Bureau of Investigation
26 Federal Plaza
New York, New York 10278

In Reply, Please Refer to
File No.

October 19, 1984

MARC RICH - FUGITIVE
PINCUS GREEN - FUGITIVE

b6
b7C

[REDACTED]
MARC RICH AND COMPANY A.G.
MARC RICH AND COMPANY INTERNATIONAL LTD.
also known as CLARENDON A.G.
RACKETEER INFLUENCED AND CORRUPT
ORGANIZATIONS
FRAUD BY WIRE
MAIL FRAUD
TAX EVASION
TRADING WITH THE ENEMY

Captioned investigation was initiated by the Federal Bureau
of Investigation (FBI) during July, 1981. [REDACTED]

[REDACTED]
[REDACTED] provided information to the
FBI that [REDACTED]

b6
b7C
b7D

RVR
This document contains neither
recommendations nor conclusions of
the FBI. It is the property of
the FBI and is loaned to your agency;
it and its contents are not to be
distributed outside your agency.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

196-1774-343

This information was provided by the FBI to the United States Attorney's Office, Southern District of New York and a joint investigation was commenced in the fall of 1981 by the FBI, the Internal Revenue Service (IRS) and the United States Customs Service.

Throughout the course of the investigation, the FBI conducted numerous interviews in both the New York Division and other divisions. The New York Division assigned agents and accounting technicians to assist the IRS agents in preparing schedules of unreported income and evaded taxes.

The \$150,000,000 recovery consists of \$117,000,000 to the IRS. A further breakdown of the \$117,000,000 figure is \$48,000,000 in tax for 1980 and 1981, \$24,000,000 in interest and \$25,000,000 in civil penalties. The remaining \$33,000,000 applied to overcharges of the prices and will go to the Department of Energy. \$20,000,000 is for miscellaneous overseas corporations tax and energy liabilities.

RVR

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☒ Airtel

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 10/19/84

TO: DIRECTOR, FBI (196B-2848)
(ATTN: FINANCIAL CRIMES UNIT)

b6
b7C

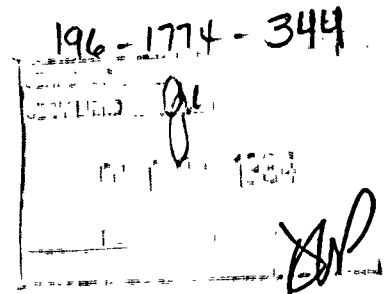
FROM: ADIC, NEW YORK (196A-1774) (C-1) (P)

SUBJECT: MARC RICH - FUGITIVE,
PINCUS GREEN - FUGITIVE,
ET AL
FEW; MF; RICO;
TAX EVASION; TRADING
WITH THE ENEMY

Enclosed for the Bureau are the original and one copy of an FD-515 regarding captioned subjects and the original and 2 copies of an LHM justifying this statistic.

2 - Bureau (Encl. 5)
1 - New York

RVR
RVR:mmm
(4)



Approved: _____ Transmitted _____ Per _____
(Number) (Time)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

b6
b7C

~~SECRET~~ FBI

10.35

b6
b7C

TELETYPE

PRIORITY

UNCLAS

10/25/84

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI (196-2848)

ATTN: SUPV. [REDACTED] DIV. 6)

PRIORITY
NEW HAVEN ()

ATTN: SA [REDACTED]

b6
b7C
b7E

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; ME; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELETYPE TO DIRECTOR, DATED OCTOBER 19, 1984; NYTELCALLS TO
ASSISTANT LEGAL ATTACHE DAVID R. BARHAM, LEGAT, BONN, AND NEW HAVEN

- 1 - New York (196A-1774)
- 1 - Supervisor (C-1)

b6
b7C

WM:jbc028V1
(2)

2-22-01 [REDACTED]
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1, 6

196-1774-345

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 26 1984	
FBI - NEW YORK	

Approved: [Signature] Transmitted: _____ Per: _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: _____

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

RVR

~~SECRET~~

~~SECRET~~

SA [REDACTED] DATED OCTOBER 24, 1984.

b6
b7C

FOR INFORMATION OF THE BUREAU AND NEW HAVEN. A SENSITIVE AND
RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

SOURCE ADVISED THAT [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

[REDACTED]

b6
b7C
b7D
b7F

(U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

- 1) [REDACTED] (~~S~~) (U)
- 2) [REDACTED] (~~S~~) (U)
- 3) [REDACTED] (~~S~~) (U) IN
- [REDACTED] (~~S~~) (U)

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES, [REDACTED]
BELIEVED TO BE IDENTICAL WITH [REDACTED]
[REDACTED] FBI INVESTIGATION HAS
IDENTIFIED [REDACTED] (~~S~~) (U)

DURING [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] (S) (U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

ADMINISTRATIVE

b7D
b7F

SOURCE MENTIONED ABOVE IS [REDACTED] (U) SOURCE'S IDENTITY
MUST BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

REQUEST OF THE BUREAU

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN FOR INFORMATION.

~~SECRET~~

ZCZCNY0031

b6
b7C

~~SECRET~~

P HQ NH

E NY #0127 3000105.

NY SSSSS

252139Z OCT 84.

M FBI NEW YORK (196A-1774) (P) (C-1)

O DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPV. [REDACTED] FCI, DIV.6

b6
b7C

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

T

~~SECRET~~

ARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELETYPE TO DIRECTOR, DATED OCTOBER 19, 1984; NYTELCALLS TO
ASSISTANT LEGAL ATTACHE DAVID R. BARHAM, LEGAT, BONN, AND NEW HAVEN

A [REDACTED] DATED OCTOBER 24, 1984.

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, d)
DECLASSIFY ON: X1, 6

b6
b7C

196-1774-345

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 26 1984	
FBI-NEW YORK	

~~SECRET~~

PAGE TWO DE NY 0127 ~~S E C R E T~~

FOR INFORMATION OF THE BUREAU AND NEW HAVEN, A SENSITIVE AND

ELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

PAGE THREE DE NY 0127 ~~SECRET~~

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

1)

[REDACTED]

~~(S)~~ (U)

2)

[REDACTED]

~~(S)~~ (U)

3)

[REDACTED]

[REDACTED]

~~(S)~~ (U)

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES, [REDACTED]

BE LIEVED TO BE IDENTICAL WITH [REDACTED]

b6
b7C
b7D
b7F

FBI INVESTIGATION HAS

IDENTIFIED [REDACTED]

~~(S)~~ (U)

DURING [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

PAGE FOUR DE NY 0127 ~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS ~~(S)~~^(U) SOURCE'S IDENTITY
MUST BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

b7D
b7F

REQUEST OF THE BUREAU

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0127 ~~SECRET~~

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN FOR INFORMATION.

T

NNN

~~SECRET~~

~~SECRET~~

b6
b7C

~~SECRET~~

WAM:jd

1

NY

On July 17, 1984, [redacted] ~~(S)~~ (U) provided the following information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source, [redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

Source advised that [redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

Source noted that [redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

b6
b7C
b7D
b7F

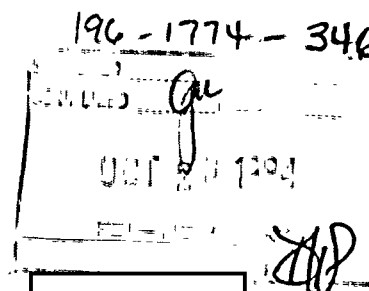
[redacted] ~~(S)~~ (U)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

2-22-01
CLASSIFIED BY: [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C



~~SECRET~~

'2

Source learned that

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C

~~SECRET~~

WMM:jd
1

NY

On July 17, 1984, [redacted] ~~(S)~~ (U) provided the following
information to Special Agent (SA) [redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]

[redacted]

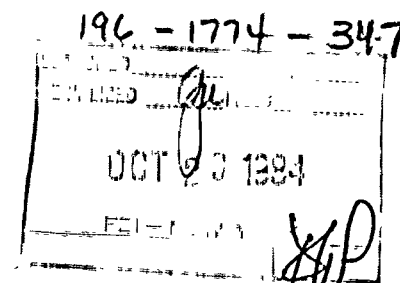
b7D
b7F

[redacted] ~~(S)~~ (U)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-22-01 [redacted]
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C



~~SECRET~~

b6
b7C

FD-36 (Rev. 5-22-78)

FBI

10.94

TELETYPE

PRIORITY

UNCLAS

11/2/94

PRIORITY
NEW YORK (196A-1774) () (C-1)

PRIORITY

DIRECTOR, FBI (106-2848) *0502*

ATTN: SUPV. [redacted]

FCU, DIV. 6

b6
b7C

~~SAC, NEW HAVEN~~

ATTN: SA [redacted]

02522

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBV; HF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

- 1 - New York
- 1 - Supervisor C-1

MM:mem010V1
(2)

2-22-01

b6
b7C

196-1774-348
141/498

142/499

Approved: *[Signature]*

Transmitted *[Signature]*

Per *[Signature]*

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

VP Initials: *[Signature]*

b6
b7C

~~SECRET~~

b6
b7C
RENYTEL TO DIRECTOR, OCTOBER 25, 1984, AND NUMEROUS TELCALLS
BETWEEN NEW YORK SA [REDACTED] ASSISTANT LEGAL ATTACHE DAVID
R. BARHAM AND NEW HAVEN SA [REDACTED] OCTOBER 24-30, 1984.

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES, A SENSITIVE
AND RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F
b3
b7E

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

SOURCE ADVISED [REDACTED]

[REDACTED] ~~(S)~~ (U)

DURING [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

[REDACTED]

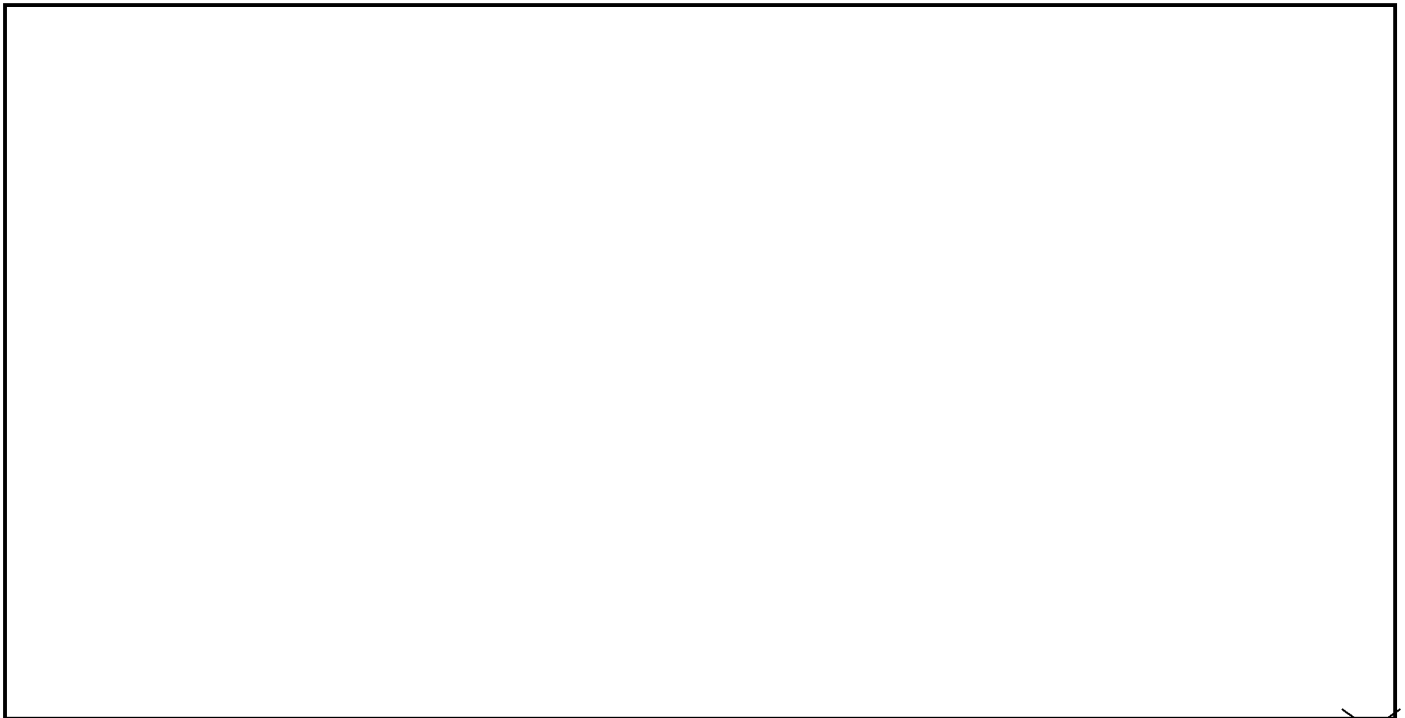
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E



~~(S)~~
(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

SOURCE ADVISED

b6
b7C
b7D
b7F
b7E

SOURCE ADVISED

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F



~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E



~~(S)~~ (U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

~~SECRET~~

~~SECRET~~

ADMINISTRATIVE

b7D
b7F

SOURCE MENTIONED ABOVE IN [REDACTED] ~~(S)~~ (U) SOURCE'S IDENTITY MUST
BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES. [REDACTED]

b6
b7C
b7D
b7E

b6
b7C
b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

SOURCE EXPRESSED

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

IN REGARD TO THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS BONN AND BERN FOR INFORMATION.

C BY G-3; ~~DECL; OADR.~~

~~SECRET~~

b6
b7C

~~SECRET~~

VZCZCNY049P

PP HQ NH

DE NY #0141 3072457

ZNY UUUUU

R 022359Z NOV 84

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (106-2848) PRIORITY

ATTN: SUPV. [REDACTED] TCU, DIV. 6

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: SA [REDACTED]

BT

UNCLAS SECTION 1 OF 2

MARC RIC -FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO DIRECTOR, OCTOBER 25, 1984, AND NUMEROUS TELCALLS
BETWEEN NEW YORK SA [REDACTED] ASSISTANT LEGAL ATTACHE DAVID
R. BARHAM AND NEW HAVEN SA [REDACTED] OCTOBER 24-30, 1984.

b6
b7C

348

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES, A SENSITIVE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6

b6
b7C

106-1774-
107 1201
mar 3

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0141 UNCLAS SECTION 1 OF 2

AND RELIABLE

SOURCE

b6
b7C
b7D
b7F
b3
b7E

~~(S)~~(U)

SOURCE ADVISED

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

DURING

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0141 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0141 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

~~SECRET~~

~~SECRET~~

SOURCE ADVISED

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0141 UNCLAS SECTION 1 OF 2

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~) (U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

BT

#0141

~~SECRET~~

~~SECRET~~

VZC7CNY0499

PP FO NF

DE NY #0142 3072457

ZNY UUUUU

R 022359Z NOV 84

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

BT

UNCLAS SECTION 2 OF 2

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IN ^(U) ~~(S)~~ SOURCE'S IDENTITY MUST
BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

b7D
b7E

FOR INFORMATION OF BUREAU AND RECEIVING OFFICES,

b6
b7C
b7D
b7E

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0142 UNCLAS SECTION 2 OF 2

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

SOURCE EXPRESSED

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0142 UNCLAS SECTION 2 OF 2

b7D
b7F

~~(S)~~ (U)

IN REGARD TO THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS PONN AND BERN FOR INFORMATION.

C BY G-3; ~~DECL; OADR.~~

BT

#0142

~~SECRET~~

196A-1774-349

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 14 1984	
FBI - NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

b6
b7C

Memorandum



To : (ADIC, NEW YORK) (P)
(196A-1774)

Date 11/14/84

From :

SA [redacted]

b6
b7C

Subject :

MARC RICH et al
OO: NY

[redacted]

DOB

[redacted]

POB

[redacted]

b6
b7C
b7D
b7E

advised on 11/14/84 that [redacted]

[redacted]

b6
b7C
b7D
b7E

[redacted]

stated that he is going to [redacted]
and [redacted]

[redacted]

[redacted]

Memorandum



To : ADIC, NEW YORK
(196A-1774) (P)

Date 11/29/84

From : SA [redacted] (C-1)

b6
b7C

Subject :
MARC RICH et al

On 11/28/84, SA [redacted], New Rochelle

RA, stated that [redacted]

[redacted] Marc Rich was arrested

b6
b7C

recently in [redacted]

[redacted] has had contact with Flyet, Sam
Concerning [redacted] and will monitor
proceedings against him in the event that
[redacted] might want to co-operate in the
apprehension of Marc Rich. 196A-1774-356

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

b6
b7C

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
NOV 29 1984	
FBI - NEW YORK	

VZCZCNY0909

RR HQ

DE NY #0130 3472205

ZNY UUUUU

R 122004Z DEC 84

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196B-2848) ROUTINE

ATTN: FINANCIAL CRIMES UNIT SUPERVISOR [REDACTED]

b6
b7C

BT

UNCLAS

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO: FR; MF; IF;
TRADING WITH THE ENEMY OO: NEW YORK

RELEGAT, PARIS TEL, JUNE 6, 1984 AND NOVEMBER 21, 1984,

MEMORANDUM FROM LEGAT, PARIS TO NEW YORK.

NEW YORK HAS NO FURTHER LEADS FOR LEGAT, PARIS.

REQUEST OF BUREAU

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [REDACTED]

196-1774-351

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
DEC 13 1984	
FBI - NEW YORK	

[Signature]

b6
b7C

PAGE TWO DE NY 0130 UNCLAS

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, PARIS.

BT

0130

FBI

10.09

TELETYPE

ROUTINE

UNCLAS

12/11/84

ROUTINE

NEW YORK (196A-1774) (P) (C-1)

ROUTINE

~~DIRECTOR FBI (196B-2848)~~

ATTN: FINANCIAL CRIMES UNIT SUPERVISOR

23562

BT

UNCLAS

b6
b7C

MARC RICH-FUGITIVE; ^I~~PINCOAS~~^U GREEN-FUGITIVE; ET AL; RICO; FBW; M^F; TE; TRADING WITH THE ENEMY OO: NEW YORK

RELEGAT PARIS TEL, JUNE 6, 1984 AND NOVEMBER 21, 1984,
MEMORANDUM FROM LEGAT, PARIS TO NEW YORK.

NEW YORK HAS NO FURTHER LEADS FOR LEGAT, PARIS.

- 1 - New York
- 1 - Supervisor C-1

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

196-1774-351

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 13 1984	
FBI - NEW YORK	

RJR
RVR:mem037V1
(2)

Approved: [Signature] Transmitted: 130/909 Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [Signature]

REQUEST OF BUREAU.

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, PARIS.

JTW:spm
1

NY 196A-1774

On November 28, 1984, [redacted] advised that [redacted]

[redacted]

b6
b7C
b7D

Source advised that [redacted]

[redacted]

b6
b7C
b7D

[redacted]

b6
b7C
b7D

[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

b6
b7C

196-1774-352

JTW:spm

2

NY 196A-1774

[REDACTED]

b6
b7C
b7D

Source advised that as of [REDACTED]

[REDACTED]

b6
b7C
b7D

ADMINISTRATIVE

Portions of the above information are singular in nature and should be handled appropriately.

The Legat, Bonn has confirmed the [REDACTED]
[REDACTED] as described by source. That investigation involves
[REDACTED] Investigation in
connection with 196A-1774 captioned "MARC RICH; ET AL; FBW (A);
(OFFICE OF ORIGIN: NEW YORK)" [REDACTED]
[REDACTED]

b6
b7C
b7D
b7E

The above information was furnished to Legat, Bonn by teletype dated November 29, 1984.

b6
b7C

10.6

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

PRIORITY

~~SECRET~~

12/12/84

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI (196-2848) ()

ATTN: SUPV. [REDACTED]

FINANCIAL CRIMES UNIT, DIV. 6

b6
b7C

SAC NEW HAVEN ()

ATTN: SA [REDACTED]

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION, TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELS TO DIRECTOR, OCTOBER 12, 1984, NOVEMBER 5, 1984, AND
NYTELCALLS TO FBIHQ, LEGAT, BONN, AND NEW HAVEN SA [REDACTED]

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor (C-1)
WMM:ver063V1
(2)

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C-1)
DECLASSIFY ON: X-1,6

b6
b7C

196-1774-353

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
DEC 15 1984	
FBI - NEW YORK	

Approved: [Signature] Transmitted _____ Per _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [Signature]

~~SECRET~~

~~SECRET~~

DECEMBER 10-11, 1984.

THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES REGARDING RECENT DEVELOPMENTS IN CAPTIONED MATTER.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, A SENSITIVE AND RELIABLE [REDACTED] SOURCE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

ACCORDING TO SOURCE, [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(S)~~ (U)

DURING [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

IN ADDITION TO THE [REDACTED]

[REDACTED]
[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

FOLLOWING

[REDACTED] (S) (U)

ON DECEMBER 10, 1984, SOURCE ADVISED THAT

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

IN REGARD TO THE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

BASED ON

[REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~(S)~~ (U)

b6
b7C
b7D
b7F

IT IS NOTED THAT

~~(S)~~ (U)

b7D
b7F
b7E

~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

b7D
b7F
b7E

[REDACTED] (S) (U)

IN REGARD TO [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

C BY G-3, -DECL: OADR

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS [REDACTED] (S) (U) SOURCE'S IDENTITY MUST
BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

b7D
b7F

BOTH SOURCE AND THE NYO [REDACTED]

[REDACTED]

(S) (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

CASE IT IS NOTED THAT MUCH INFORMATION DEVELOPED BY SOURCE IN THIS

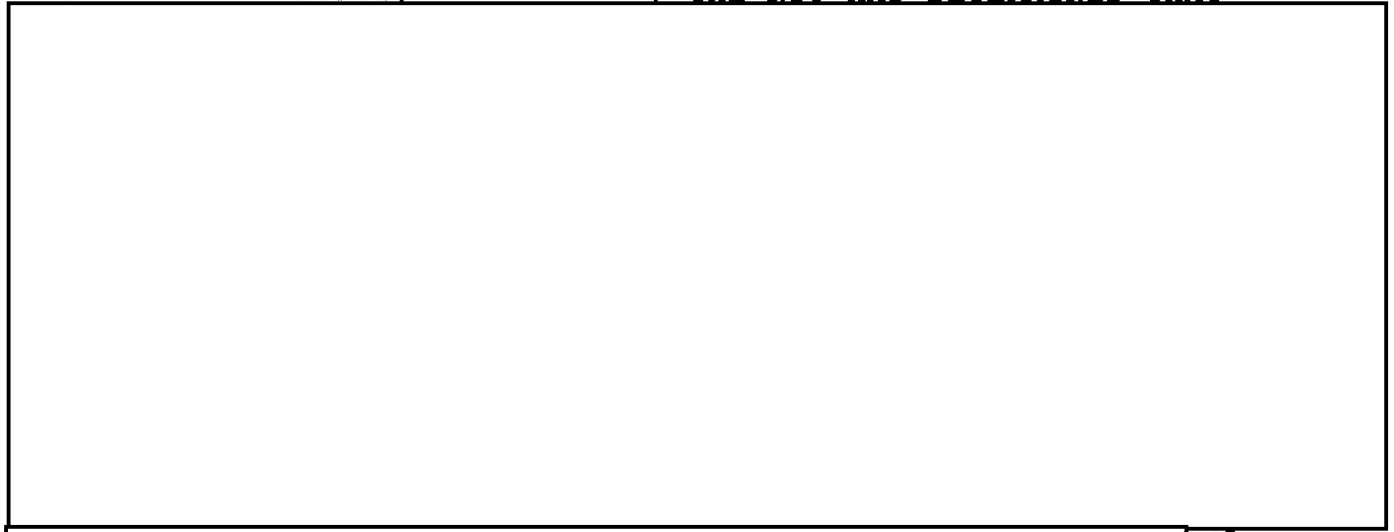
b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

IN THIS REGARD, NYO HAS BEEN ATTEMPTING TO VERIFY INFORMATION
FURNISHED TO SOURCE [REDACTED] THE NYO HAS DETERMINED THAT



b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
INFORMATION DEVELOPED DIRECTLY BY SOURCE HAS PROVED TO BE ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

HIGHLY ACCURATE. [REDACTED]

[REDACTED] IS AN EXAMPLE OF THE
ACCURACY OF SOURCES INFORMATION. ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN FOR INFORMATION.

~~SECRET~~

b6
b7C

VZCZCNY0957

PP HQ NH

DE NY #0101 3481455

ZNY SSSSS

R 131406Z DEC 84

FM FBI NEW YORK (193A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPV. [REDACTED]

b6
b7C

ATTN: FINANCIAL CRIMES UNIT, DIV. 6

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION, TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

b6
b7C

RENYTELS TO DIRECTOR, OCTOBER 12, 1984, NOVEMBER 5, 1984, AND

NYTELCALLS TO FBIHQ, LEGAT, BONN, AND NEW HAVEN SA [REDACTED]

2-22-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1, 6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

96-1774-353

SERIALIZED	INDEXED
FILED	
DEC 15 1984	
FBI - NEW YORK	

PAGE TWO DE NY 0101 ~~SECRET~~ SECTION 1 OF 2
DECEMBER 10-11, 1984.

THE PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES
REGARDING RECENT DEVELOPMENTS IN CAPTIONED MATTER.

FOR INFORMATION OF THE BUREAU AND RECEIVING OFFICES, A
SENSITIVE AND RELIABLE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

ACCORDING TO SOURCE, [REDACTED]

b6
b7C
b7D
b7F

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN ADDITION TO THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

(S) (U)

FOLLOWING

b6
b7C
b7D
b7F

(S) (U)

ON DECEMBER 10, 1984, SOURCE ADVISED THAT

b6
b7C
b7D
b7F

(S) (U)

b7D
b7F

(S) (U)

~~SECRET~~

AGE FIVE DE N Y 0101 S ~~FC~~ ~~H~~ ~~S~~ SECTION 10 F 2

~~(S)~~ (U)

b7D
b7F

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SECRET

BASED ON

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

IT IS NOTED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0101

SECRET

VZCZCNY0958

PP HQ NH

DE NY #0102 3481455

ZNY SSSSS

R 131406Z DEC 84

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

b7D
b7F
b7E

~~(S)~~(U)

IN REGARD TO

b6
b7C
b7D
b7E

~~(S)~~(U)

~~SECRET~~

b7D
b7F

~~C BY G-3; DECL: OADR~~

ADMINISTRATIVE

SOURCE MENTIONED ABOVE IS ^(U) SOURCE'S IDENTITY MUST
BE PROTECTED AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF
SOURCE'S IDENTITY IS DISCLOSED.

b7D
b7F

BOTH SOURCE AND THE NYO

b6
b7C
b7D
b7F

~~SECRET~~

b7D
b7F
b7E

~~(S)~~ (U)

IT IS NOTED THAT MUCH INFORMATION DEVELOPED BY SOURCE IN THIS

CASE

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN THIS REGARD, NYO HAS BEEN ATTEMPTING TO VERIFY INFORMATION
FURNISHED TO SOURCE [REDACTED] THE NYO HAS DETERMINED THAT

b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

INFORMATION DEVELOPED DIRECTLY BY SOURCE HAS PROVED TO BE
HIGHLY ACCURATE.

b6
b7C
b7D
b7F
b7E

IS AN EXAMPLE OF THE
ACCURACY OF SOURCES INFORMATION. ~~(S)~~ (U)

SECRET

PAGE FIVE DE NY 0102 ~~SECRET~~ SECTION 2 OF 2

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN FOR INFORMATION.

BT

#0102

~~SECRET~~

Date 11/21/84To: ☒ Director

Att.: _____

FILE# 196A-1774 (M-1)☒ SAC NEW YORK _____Title MARC RICH - FUG.;☐ ASAC _____ET. AL.; RICO; FBW;☐ Supv. _____MF; TAX EVASION;☐ Agent _____TRADING WITH THE ENEMY☐ SSS _____☐ Rotor# _____RE: Partel of 6/6/84.☐ M _____

Room _____

☐ Acknowledge☐ For Information☐ Return assignment card☐ Assign ☐ Reassign☐ Handle☐ Return file ☐ serial☐ Bring file☐ Initial & return☐ Call me☐ Leads need attention☐ Return with action taken☐ Correct☐ Open case☐ Return with explanation☐ Deadline _____☐ Prepare lead cards☐ Search and return☐ Delinquent☐ Prepare tickler☐ See me☐ Discontinue☐ Recharge file ☐ serial☐ Type☐ Expedite☐ File☐ Send to _____

Please advise if further leads for
Paris regarding captioned matter.

196A-1774-354

① Bureau

① - New York

① - Paris (183D-57)

DJL:arw

(3)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

SAG: LEGAL ATTACHE

See reverse side

Office PARISb6
b7C

b6
b7C



Memorandum

~~SECRET~~

To : NIGHT & WEEKEND SUPERVISORS

Date 12/14/84

From : SA [redacted] (C-1)

b6
b7C

Subject : MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
FBW; MF; RICO; INCOME TAX EVASION;
TRADING WITH THE ENEMY;
(OO:NY)

For information of Night and Weekend Duty personnel, efforts
are currently [redacted]

[redacted] A highly valuable and very sensitive source [redacted]

b6
b7C
b7D
b7F
b7E

Once source has contacted the NYO, immediately contact SA [redacted]

b6
b7C
b7D
b7F
b7E

Duffy

Copy set to Night Desk

1-NIGHT DESK
NY196A-1774
WMM/wmm

3-1-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, a)
DECLASSIFY ON: X1, 6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

196-1774-355

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 15 1984	
FBI - NEW YORK	

~~SECRET~~

[REDACTED]

b7D

On November 30, 1984, [REDACTED] furnished the following information to Special Agent [REDACTED]

b6
b7C
b7D

Source advised [REDACTED]

[REDACTED]

b6
b7C
b7D

196 B-1774 - 350

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-1-01 BY [REDACTED]

b6
b7C

FD-36 (Rev. 5-22-78) b6 b7C

~~SECRET~~

FBI

~~10.6~~
10.4

TELETYPE

PRIORITY

UNCLAS EFTO

1/11/85

PRIORITY
NEW YORK (196A-1774) () (C-1)

b6
b7C

PRIORITY
~~DIRECTOR FBI (196-2848)~~

00562, 01022, 01062

ATTN: SUPERVISOR [redacted]

FINANCIAL CRIMES UNIT,

ATTN: DIVISION 6

~~NEW HAVEN ()~~

23502

ATTN: SPECIAL AGENT [redacted]

00252

~~WASHINGTON FIELD ()~~

ATTN: [redacted]

b6
b7C

BT

UNCLAS EFTO

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

REFERENCE NEW YORK TELETYPE TO DIRECTOR, DATED DECEMBER 12,
1984, AND NUMEROUS TELEPHONE CALLS BETWEEN NEW YORK, LEGAT, BONN,

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

b6
b7C

1 - New York

1 - Supervisor C-1

WMM:yf022V1

(2)

CLASSIFIED BY [redacted]
REASON: 1.5
DECLASSIFY ON: X 1,6

196A-1774-357

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 14 1985	
FBI-NEW YORK	

Approved: [signature]

Transmitted

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: elm

~~SECRET~~

~~SECRET~~

FBIHQ AND NEW HAVEN SPECIAL AGENT [REDACTED]
DECEMBER 20, 1984.

DECEMBER 12, 1984 THROUGH

b6
b7C

REFERENCED NEW YORK TELETYPE NOTED [REDACTED]

b6
b7C
b7D
b7F

A SENSITIVE AND RELIABLE

SOURCE, [REDACTED]

~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~(U)

[REDACTED]

[REDACTED] ~~(S)~~(U)

b6
b7C
b7D
b7F

SOURCE ADVISED

[REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING THE

[REDACTED]

~~(S)~~ (U)

FOLLOWING

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

THE FOLLOWING IS A SUMMARY OF [REDACTED]

~~(S)~~ (U)

AT THE OUTSET, [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

[REDACTED] (S) (U)

b7D
b7F

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

BEFORE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (S) (U)

SOURCE SAID [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

(S) (U)

b6
b7C
b7D
b7F

(S) (U)

b6
b7C
b7D
b7F

(S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ ~~(S)~~ (S) (U)

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE SAID

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] (S) (U) SOURCE'S IDENTITY MUST BE PROTECTED. SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY IF SOURCE'S IDENTITY IS DISCLOSED. IF THE INFORMATION PROVIDED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)
IN REFERENCED TELETYPE, NEW YORK NOTED RESULTS OF EFFORTS TO VERIFY INFORMATION PROVIDED [REDACTED] IN SUMMARY, NEW YORK DETERMINED THE BASIC INFORMATION PROVIDED [REDACTED] WAS ACCURATE ALTHOUGH [REDACTED] BASED ON ABOVE, NEW YORK STILL BELIEVES THIS ASSESSMENT IS ACCURATE. (S) (U)

b6
b7C
b7D
b7F

BASED ON [REDACTED]
[REDACTED]

(U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

BOTH NEW YORK AND [REDACTED] SOURCE ARE [REDACTED]

[REDACTED]

THE NEW YORK OFFICE HAS TAKEN ADDITIONAL ADMINISTRATIVE STEPS TO PROTECT SOURCE'S IDENTITY. NEW YORK REQUESTS FBIHQ TAKE SIMILAR PRECAUTIONS. THESE PRECAUTIONS SHOULD INCLUDE ALERTING FBIHQ PERSONNEL INVOLVED WITH

b7D
b7F

[REDACTED] SOURCE OF POSSIBLE CONTACTS BY [REDACTED] IT IS REQUESTED NEW YORK BE ADVISED OF ANY INQUIRIES

[REDACTED] (~~S~~) (U)

REQUEST OF THE BUREAU

FBIHQ IS REQUESTED TO CONDUCT INDICES CHECKS TO FURTHER IDENTITY [REDACTED] (PHONETIC) [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

FBIHQ IS REQUESTED TO DISSEMINATE CONTENTS OF THIS COMMUNICATION TO LEGATS, BONN AND BERN FOR INFORMATION.

LEGAT, BONN IS REQUESTED TO CONDUCT DISCRETE INQUIRIES CONCERNING [REDACTED] (S) (U)

b6
b7C
b7D
b7F

IT IS NOTED PREVIOUS COMMUNICATIONS HAVE BEEN SENT TO LEGAT, BONN, UNDER THE "~~SECRET~~" CLASSIFICATION. SINCE THIS CLASSIFICATION CAUSED SERIOUS PROBLEMS FOR LEGAT IN DISSEMINATING [REDACTED] [REDACTED] NEW YORK WILL PREPARE FUTURE COMMUNICATIONS IN SUCH A WAY TO ALLOW MOST, IF NOT ALL INFORMATION, TO BE DISSEMINATED. SINCE PROTECTION OF SOURCE'S IDENTITY IS PARAMOUNT, LEGAT BONN IS REQUESTED TO USE CAUTION WHEN DISSEMINATING INFORMATION FROM SOURCE.

WASHINGTON FIELD, AT WASHINGTON, D.C. WASHINGTON FIELD OFFICE IS REQUESTED TO CONDUCT DISCREET CHECKS AT UNITED STATES DEPARTMENT OF STATE TO DETERMINE IF MARC RICH, DOB DECEMBER 18, 1934, AND POB AT AWTWERP, BELGIUM AND PINCUS GREEN, DOB [REDACTED] AND POB AT [REDACTED] NEW YORK, HAVE VAILD DIPLOMATIC UNITED STATES PASSPORTS. b6
b7C

~~SECRET~~

b6
b7C

~~SECRET~~

VZCZCNY0358

PP HQ NH WFO

DE NY #0135 0112301

ZNR FEEEE

R 112156Z JAN 85

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPERVISOR [REDACTED] FINANCIAL CRIMES UNIT,

ATTN: DIVISION 6

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: SPECIAL AGENT [REDACTED]

FBI WASHINGTON FIELD PRIORITY

ATTN: [REDACTED]

BT

UNCLAS E F T O SECTION 1 OF 3

MARC RIC -FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

REFERENCE NEW YORK TELETYPE TO DIRECTOR, DATED DECEMBER 12,
1984, AND NUMEROUS TELEPHONE CALLS BETWEEN NEW YORK, LEGAT, BONN,

2-22-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (90)
DECLASSIFY ON: X 1,6

b6
b7C

196-1774-357

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 14 1985	
FBI - NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0135 UNCLAS E F T O SECTION 1 OF 3

FBIHQ AND NEW HAVEN SPECIAL AGENT [REDACTED] DECEMBER 12, 1984 THROUGH
DECEMBER 20, 1984.

b6
b7C

[REFERENCED NEW YORK TELETYPE NOTED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] A SENSITIVE AND RELIABLE

SOURCE, [REDACTED]

~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0135 UNCLAS E F T O SECTION 1 OF 3

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0135 UNCLAS E F T O SECTION 1 OF 3

[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

FOLLOWING THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

FOLLOWING [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0135 UNCLAS E F T O SECTION 1 OF 3

SOURCE ADVISED

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

THE FOLLOWING IS A SUMMARY OF

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

AT THE OUTSET,

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

IN REGARD TO

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0135 UNCLAS E F T O SECTION 1 OF 3

[REDACTED]
[REDACTED] (~~S~~) (U)

b7D
b7F

[REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

BEFORE

[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F
b7E

BT

#0135

~~SECRET~~

VZCZCNY0359

~~SECRET~~

PP HQ NH WFO

DE NY #0136 0112301

ZNR EEEEE

R 112156Z JAN 85

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

FBI WASHINGTON FIELD PRIORITY

BT

UNCLAS E F T O SECTION 2 OF 3

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE SAID

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0136 UNCLAS E F T O SECTION 2 OF 3

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0136 UNCLAS E F T O SECTION 2 OF 3

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~)(U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~)(U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~)(U)

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0135 UNCLAS E F T O SECTION 2 OF 3

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] (~~S~~) (U)

[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

SOURCE SAID [REDACTED]

[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0136 UNCLAS E F T O SECTION 2 OF 3

ADMINISTRATIVE

[] SOURCE IS [] ~~(S)~~ (U) SOURCE'S IDENTITY MUST BE PROTECTED. SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY IF SOURCE'S IDENTITY IS DISCLOSED. IF THE INFORMATION PROVIDED []

b6
b7C
b7D
b7F

[]

[] ~~(S)~~ (U)

IN REFERENCED TELETYPE, NEW YORK NOTED RESULTS OF EFFORTS TO VERIFY INFORMATION PROVIDED [] IN SUMMARY, NEW YORK DETERMINED THE BASIC INFORMATION PROVIDED [] WAS ACCURATE ALTHOUGH [] BASED ON ABOVE, NEW YORK STILL BELIEVES THIS ASSESSMENT IS ACCURATE. ~~(S)~~ (U)

b7D
b7F

BASED ON []

[]

[]

[] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0136 UNCLAS E F T O SECTION 2 OF 3

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] (~~S~~) (U)

BOTH NEW YORK AND [REDACTED] SOURCE ARE [REDACTED]

[REDACTED]
[REDACTED] THE NEW YORK

OFFICE HAS TAKEN ADDITIONAL ADMINISTRATIVE STEPS TO PROTECT SOURCE'S
IDENTITY. NEW YORK REQUESTS FBIHQ TAKE SIMILAR PRECAUTIONS. THESE
PRECAUTIONS SHOULD INCLUDE, ALERTING FBIHQ PERSON EL INVOLVED WITH

b7D
b7F

[REDACTED] SOURCE OF POSSIBLE CONTACTS BY

[REDACTED] IT IS REQUESTED NEW YORK BE ADVISED OF ANY INQUIRIES

[REDACTED] (~~S~~) (U)

REQUEST OF THE BUREAU

BT

#0136

~~SECRET~~

VZCZCNY0360

PP HQ NH WFO

DE NY #0137 0112301

ZNR EEEEE

R 112156Z JAN 85

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

FBI WASHINGTON FIELD PRIORITY

BT

UNCLAS E F T O SECTION 3 OF 3

FBIHQ IS REQUESTED TO CONDUCT INDICES CHECKS TO FURTHER
IDENTITY [REDACTED] (PHONETIC). [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] (S) (U)

FBIHQ IS REQUESTED TO DISSEMINATE CONTENTS OF THIS
COMMUNICATION TO LEGATS, BONN AND BERN FOR INFORMATION.

LEGAT, BONN IS REQUESTED TO CONDUCT DISCRETE INQUIRIES
CONCERNING [REDACTED] (S) (U)

b6
b7C
b7D
b7E

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0137 UNCLAS E F T O SECTION 3 OF 3

IT IS NOTED PREVIOUS COMMUNICATIONS HAVE BEEN SENT TO LEGAT, BONN, UNDER THE "~~SECRET~~" CLASSIFICATION. SINCE THIS CLASSIFICATION CAUSED SERIOUS PROBLEMS FOR LEGAT IN DISSEMINATING TO [REDACTED] [REDACTED] NEW YORK WILL PREPARE FUTURE COMMUNICATIONS IN SUCH A WAY TO ALLOW MOST, IF NOT ALL INFORMATION, TO BE DISSEMINATED. SINCE PROTECTION OF SOURCE'S IDENTITY IS PARAMOUNT, LEGAT BONN IS REQUESTED TO USE CAUTION WHEN DISSEMINATING INFORMATION FROM SOURCE.

b7D

WASHINGTON FIELD, AT WASHINGTON, D.C. WASHINGTON FIELD OFFICE IS REQUESTED TO CONDUCT DISCREET CHECKS AT UNITED STATES DEPARTMENT OF STATE TO DETERMINE IF MARC RICH, DOR DECEMBER 18, 1934, AND POB AT ANTWERP, BELGIUM AND PINCUS GREEN, DOR [REDACTED] AND POB AT [REDACTED] NEW YORK, HAVE VALID DIPLOMATIC UNITED STATES PASSPORTS.

b6
b7C

BT

#0137

~~SECRET~~

Copyright © 1984 McGraw-Hill, Inc.;
Metals Week

October 15, 1984

SECTION: GOVERNMENT; Volume 55, No. 42; Pg. 7

LENGTH: 129 words

HEADLINE: Marc Rich tax-evasion case settled

BODY:

The commodities firms Marc Rich and Clarendon last week settled their long-running tax evasion case -- and opened the door to a resumption of Marc Rich trading activities in the US -- by agreeing to pay the US government about \$200-million in fines and penalties.

A federal judge in New York accepted the companies' guilty pleas on various counts of making false statements to Federal officials and imposed fines totaling \$780,000. The action was pursuant to an agreement the companies had reached with the US Justice Dept. under which additional penalties -- including \$150-million in back taxes and \$21-million in fines already paid were imposed.

Marc Rich and Pincus Green still face criminal charges of tax evasion as individuals and are considered fugitives.

358
FILE 196A-1779

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 16 1985	
FBI-NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY [redacted]

b6
b7C

LEXIS NEXIS LEXIS NEXIS

LEVEL 1 - 5 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

August 15, 1984, Wednesday, AM cycle

SECTION: International News

LENGTH: 220 words

HEADLINE: Swiss Considering Extradition of Marc Rich

DATELINE: BERN, Switzerland

KEYWORD: Marc Rich

BODY:

The Swiss government said Wednesday it is considering a request from U.S. authorities for the extradition of commodity traders Marc Rich and Pincus Green.

Rich and Green, senior partners in the Swiss-based commodity trading company Marc Rich & Co. AG, have been charged in what could be the largest tax evasion case in American history.

The Swiss said they received the extradition request _ submitted in German _ on Tuesday. The government had refused to consider an earlier request in English on the grounds that Washington, which requires English-language documentation from Switzerland, should make the request in one of Switzerland's official languages _ French, Italian and German.

A trial of the charges against Rich and Green is scheduled to begin Sept. 24 at U.S. District Court in Manhattan.

They are charged with a racketeering conspiracy that allegedly evaded \$48 million in U.S. taxes on illicit profits in crude-oil trades in 1980 and 1981. They also have been charged with violating a U.S. embargo on trade with Iran.

The charges also named the Marc Rich firm and its former U.S. subsidiary, now called Clarendon Ltd. If U.S. prosecutors won their case, they could seize the companies' assets in the United States.

Rich and Green left the United States before their indictment last September.

LEVEL 1 - 2 OF 39 STORIES

Copyright © 1984 McGraw-Hill, Inc.;
Platt's Oilgram News

October 12, 1984, Friday

SECTION: UNITED STATES; Vol. 62, No. 198; Pg. 5

LENGTH: 236 words

HEADLINE: U.S., MARC RICH FIRMS SETTLE INCOME TAX EVASION SUITS FOR \$200-MILLION

DATELINE: New York 10/11

BODY:

Marc Rich & Co. AG and Marc Rich & Co. Intl. Ltd., now known as Clarendon Ltd., pleaded guilty in U.S. District Court in Manhattan today to charges concerning income tax evasion.

The guilty pleas were to 38 felony counts charging them with making false statements to the government as part of a scheme to evade taxes on about \$100-million of income earned in 1980-1981, and to evade Dept. of Energy regulations which limited profits on the resale of crude oil. Additionally, Clarendon pleaded guilty to two counts of evading more than \$48-million in income taxes in 1980-1981 (ON 6/25).

Rich, Green Still Sought

U.S. Attorney Rudolph W. Giuliani said during a court hearing that the government has recovered a "total package of \$200-million (from the two companies), the largest amount ever recovered by the U.S. in a criminal income tax case." Giuliani explained that the pleas and the payments by the corporate defendants in no way satisfied any of the criminal charges pending against

Marc Rich and Pincus Green personally or exonerated them from civil liabilities. Rich and Green remain fugitives subject to prosecution (ON 9/27).

A spokesman for Marc Rich & Co. AG issued a statement today confirming the "settlement" reached with the U.S. government, and stating that the agreement lifts all restrictions against the business activities of Clarendon and the Marc Rich Group of companies.

LEVEL 1 - 3 OF 39 STORIES

Copyright © 1984 The Washington Post

August 16, 1984, Thursday, Final Edition

SECTION: Business & Finance; Roundup; D1

LENGTH: 136 words

HEADLINE: Swiss Weigh Request For Rich Extradition

BYLINE: From news services and staff reports

KEYWORD: ROUNDPO6

BODY:

The Swiss government said yesterday it is considering a German-language request from U.S. authorities for the extradition of commodity traders Marc Rich and Pincus Green.

Rich and Green, senior partners in the Swiss-based commodity trading company Marc Rich & Co. AG, have been charged in what U.S. authorities say could be the largest tax evasion case in American history.

The Swiss said they received the extradition request Tuesday. The government had refused to consider an earlier request in English on the grounds that Washington, which requires English-language documentation from Switzerland, should make the request in one of Switzerland's official languages, French, Italian or German.

A trial of the charges against Rich and Green is scheduled to begin Sept. 24 at U.S. District Court in Manhattan.

LEVEL 1 - 4 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

August 15, 1984, Wednesday, AM cycle

SECTION: Business News

LENGTH: 362 words

HEADLINE: Swiss Considering Extradition of Marc Rich

DATELINE: BERN, Switzerland

KEYWORD: Marc Rich

BODY:

The Swiss government said Wednesday it is considering a German-language request from U.S. authorities for the extradition of commodity traders Marc Rich and Pincus Green.

Rich and Green, senior partners in the Swiss-based commodity trading company Marc Rich & Co. AG, have been charged in what U.S. authorities say could be the largest tax evasion case in American history.

The Swiss said they received the extradition request Tuesday. The government had refused to consider an earlier request in English on the grounds that Washington, which requires English-language documentation from Switzerland, should make the request in one of Switzerland's official languages, French, Italian and German.

A trial of the charges against Rich and Green is scheduled to begin Sept. 24 at U.S. District Court in Manhattan.

They are charged with a racketeering conspiracy that allegedly evaded \$48 million in U.S. taxes on illicit profits in crude-oil trades in 1980 and 1981. They also have been charged with violating a U.S. embargo on trade with Iran.

The charges also named the Marc Rich firm and its former U.S. subsidiary, now called Clarendon Ltd. If U.S. prosecutors won their case, they could seize the companies' assets in the United States.

Rich and Green left the United States before their indictment last September.

In a related matter, the Swiss Justice Ministry said it had not yet received an answer to a note it sent to U.S. authorities on July 13 in an attempt to settle a dispute over documents sought by the United States.

In the note, Switzerland agreed to turn over the documents but only on condition that the United States accept that the commodity firm cannot be forced to comply with U.S. court orders, which it contends violate Swiss sovereignty. In addition, the Swiss said the United States must agree to argue this position in court.

LEXIS NEXIS LEXIS NEXIS

The Associated Press, August 15, 1984

The commodities firm has been paying a daily fine of \$50,000 for more than a year since a U.S. district judge held it in contempt of court for refusing to turn over subpoenaed documents.

Swiss authorities impounded the company's records on grounds their release might violate Swiss business secrecy laws.

LEVEL 1 - 6 OF 39 STORIES

Copyright © 1984 The New York Times Company;
The New York Times

August 1, 1984, Wednesday, Late City Final Edition

SECTION: Section D; Page 10, Column 5; Financial Desk

LENGTH: 226 words

HEADLINE: Swiss Set Back U.S. on Rich

BYLINE: AP

DATELINE: BERN, Switzerland, July 31

BODY:

Although the United States recently requested the extradition of Marc Rich and Pincus Green, oil traders, the petition was rejected because it had not been translated into one of Switzerland's official languages, a Justice Ministry spokesman said today.

Mr. Rich and Mr. Green, senior partners in a commodity trading firm in Zug, Switzerland, were indicted in New York last year on charges of tax evasion, racketeering and fraud.

Joerg Kistler, a spokesman for the ministry, said the formal extradition request was delivered to the Swiss Government on July 20 but was sent back because it was in English. Switzerland has three official languages - French, German and Italian.

The Swiss move was the latest setback for American authorities in their effort to prosecute Mr. Rich and Mr. Green, who are scheduled to go on trial Sept. 24 in Manhattan. They are charged with evading \$48 million in United States taxes on illicit profits in 1980-81 oil trading. They also are accused of violating an American embargo on trade with Iran.

Their Swiss-based enterprise, Marc Rich & Company, also faces trial, along with its former United States subsidiary, now called Clarendon Ltd. If the Federal authorities win in court, they could seize the companies' assets in the United States. A businessman, Clyde Meltzer, also is scheduled to go on trial.

SUBJECT: EXTRADITION; LANGUAGE AND LANGUAGES; TAXATION; TAX EVASION;
RACKETEERING AND RACKETEERS; FRAUDS AND SWINDLING

ORGANIZATION: MARC RICH AG; JUSTICE, DEPARTMENT OF

NAME: RICH, MARC; GREEN, PINCUS

GEOGRAPHIC: SWITZERLAND; UNITED STATES

LEVEL 1 - 7 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

July 31, 1984, Tuesday, AM cycle

SECTION: Business News

LENGTH: 365 words

HEADLINE: Swiss Delay U.S. Extradition Request

DATELINE: BERN, Switzerland

KEYWORD: Marc Rich

BODY:

The United States formally requested the extradition of oil traders Marc Rich and Pincus Green, but the petition was sent back because it was not translated into one of Switzerland's official languages, a Justice Ministry spokesman said Tuesday.

Rich and Green, senior partners in a commodity trading firm in Zug, Switzerland, were indicted in New York last year on charges of tax evasion, racketeering and fraud. U.S. prosecutors have said the case may be the largest tax evasion case in American history.

Joerg Kistler, a spokesman for the Justice Ministry, said the extradition request was delivered to the Swiss government on July 20 but it was returned because it was in English. Switzerland operates with three official languages, German, French and Italian.

The Swiss move was the latest setback for U.S. authorities in their effort to investigate and prosecute Rich and Green, who are scheduled to go on trial Sept. 24 at U.S. District Court in Manhattan.

They are charged in a racketeering conspiracy with evading \$48 million in U.S. taxes on illicit profits in crude-oil trades in 1980 and 1981. They also are charged with violating a U.S. embargo on trade with Iran.

Federal authorities plan to bring their Swiss-based company, Marc Rich & Co. AG, to trial with their former U.S. subsidiary, now called Clarendon Ltd. If successful, U.S. authorities could seize the companies' assets in the United States. A businessman, Clyde Meltzer, also is to go on trial.

Rich and Green left the United States before their indictment last September. Authorities said Rich sought to renounce his U.S. citizenship in favor of Spanish citizenship.

Federal authorities have been unable to get documents subpoenaed from Marc Rich & Co. AG, despite a contempt of court fine of \$50,000 a day that the commodities firm has been paying for more than a year.

The Associated Press, July 31, 1984

Swiss authorities impounded the company's records on grounds their release might violate Swiss business secrecy laws. The Swiss government argued unsuccessfully before a U.S. appeals court that the fine should be halted, and asserted that American prosecutors' tactics in the investigation violated Switzerland's sovereignty.

LEVEL 1 - 8 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

July 31, 1984, Tuesday, AM cycle

SECTION: International News

LENGTH: 220 words

HEADLINE: Swiss Delay U.S. Extradition Request

DATELINE: BERN, Switzerland

KEYWORD: Marc Rich

BODY:

The United States formally requested the extradition of oil traders Marc Rich and Pincus Green, but the petition was sent back because it was not translated into one of Switzerland's official languages, a Justice Ministry spokesman said Tuesday.

Rich and Green, senior partners in a commodity trading firm in Zug, Switzerland, were indicted in New York last year on charges of tax evasion, racketeering and fraud. U.S. prosecutors have said the case may be the largest tax evasion case in American history.

Joerg Kistler, a spokesman for the Justice Ministry, said the extradition request was delivered to the Swiss government on July 20 but it was returned because it was in English. Switzerland's official languages are German, French and Italian.

The Swiss move was the latest setback for U.S. authorities in their effort to investigate and prosecute Rich and Green, who are scheduled to go on trial Sept. 24 in New York.

They are charged in a racketeering conspiracy with evading \$48 million in U.S. taxes on illicit profits in crude-oil trades in 1980 and 1981. They also are charged with violating a U.S. embargo on trade with Iran.

Rich and Green left the United States before their indictment last September. Authorities said Rich sought to renounce his U.S. citizenship in favor of Spanish citizenship.

LEVEL 1 - 9 OF 39 STORIES

Copyright © 1984 McGraw-Hill, Inc.;
Platt's Oilgram News

June 26, 1984, Tuesday

SECTION: UNITED STATES; Vol. 62, No. 123; Pg. 3

LENGTH: 188 words

HEADLINE: SWISS REPORTED READY TO HAND OVER MARC RICH DOCUMENTS TO U.S.
PROSECUTORS

DATELINE: Zurich 6/25

BODY:

Swiss authorities have agreed to hand over to the U.S. government documents that were seized Feb. 9 from Marc Rich & Co. AG, according to sources close to the investigation (ON 6/13, 3/12).

Marc Rich & Co. AG, Marc Rich International Ltd. (also known as Clarendon Ltd.), plus individually Marc Rich, Pincus Green and Clyde Meltzer have been indicted for allegedly evading \$48-million in federal income taxes. The individuals named in the indictment also are charged with illegal trade with Iran (ON 6/25, 9/20/83).

The U.S. requested the documents through an existing bilateral mutual assistance legal agreement. The documents are expected to be delivered this week or next. The Swiss took offense when they were asked to act on a subpoena issued by a U.S. court (ON 1/31), and the agreement in effect was bypassed.

The sources said that the hesitation wasn't all on the part of the Swiss. U.S. authorities weren't anxious to disclose details of their fraud investigation of oil contracts that could have aided Marc Rich defense lawyers. Apparently, the prosecution now is convinced that the case is air-tight.

2,0

LEVEL 1 - 10 OF 39 STORIES

Copyright © 1984 McGraw-Hill, Inc.;
Platt's Oilgram News

June 25, 1984, Monday

SECTION: UNITED STATES; Vol. 62, No. 122; Pg. 4

LENGTH: 149 words

HEADLINE: MARC RICH TRIAL POSTPONED

DATELINE: New York 6/22

BODY:

The criminal trial of corporate defendants Marc Rich & Co. AG and its U.S. unit, Clarendon AG Ltd. (formerly known as Marc Rich & Co. International Ltd) has been postponed until Sept. 24.

A federal jury trial was scheduled to begin here on June 25 before U.S. District Court Judge Shirley Kram. The international commodities trading firm, which dealt mostly in oil, and its U.S. unit, along with the two top executives of the firms, Marc Rich and Pincus Green, were indicted Sept. 19, 1983, charged with defrauding the government of \$48-million in income taxes (ON 9/20/83).

Rich and Green are both fugitives, and weren't scheduled to go on trial. Last year, Rich renounced his U.S. citizenship and took up Spanish citizenship. He's now believed to be living in Zug, Switzerland. Green also is reportedly living in Europe. Under U.S. law, individuals can't be tried in absentia.

LEVEL 1 - 11 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

June 12, 1984, Tuesday, AM cycle

SECTION: Business News

LENGTH: 371 words

HEADLINE: Appeals Court Upholds \$50,000 Daily Marc Rich A.G. Fine

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

A federal appeals court Tuesday turned down a Swiss government request to halt a \$50,000-a-day fine that has cost Marc Rich & Co. A.G. more than \$17 million for refusing to release records to a grand jury.

The Swiss government, which filed court papers supporting the giant commodities broker based in Zug, Switzerland, argued the company should not be fined because Swiss secrecy laws prevent disclosure of the records.

But the 2nd U.S. Circuit Court of Appeals in New York said the Marc Rich company, which is under indictment here on tax charges, signed an agreement last August pledging that "it would not rely on Swiss law in refusing to comply with the subpoena."

Swiss police impounded the documents shortly after the agreement was reached, and the Marc Rich company contends it is unable to turn them over to U.S. authorities.

While upholding the fine, the three-judge appeals panel also called for further hearings by a lower court to decide whether the company still has documents it can release. The judges called the issue "a close one."

U.S. prosecutors contend the company still has records while the Marc Rich firm argues it does not. The appeals court said company officials had only to file sworn affidavits backing its position, but have not done so.

Robert Herzstein, a lawyer for the Swiss, had argued before the court there was a clear conflict between U.S. and Swiss laws.

He said that efforts to enforce the subpoena for Marc Rich records violated Swiss sovereignty and argued that U.S. authorities should follow a Swiss process in seeking the records. Negotiations between the two nations are under way.

Marc Rich A.G.; Clarendon Ltd., its former U.S. subsidiary; and businessman Clyde Meltzer are scheduled to go on trial June 25 at U.S. District Court in

The Associated Press, June 12, 1984

Manhattan on charges they evaded \$48 million in U.S. taxes on illicit oil-trading profits.

Commodities brokers Marc Rich and Pincus Green, two owners of Marc Rich A.G., were indicted but are considered fugitives.

The civil contempt-of-court fine against Marc Rich A.G. has been accumulating since last June 29. If it lasts for the maximum 18 months, the company would pay a total of \$27.5 million. So far, it has paid \$17,056,000.

LEVEL 1 - 12 OF 39 STORIES

Copyright © 1984 The New York Times Company;
The New York Times

May 11, 1984, Friday, Late City Final Edition

SECTION: Section D; Page 7, Column 1; Financial Desk

LENGTH: 163 words

HEADLINE: Swiss Appear In Rich Case

BYLINE: By The Associated Press

BODY:

A lawyer for the Swiss Government appeared before a United States Court of Appeals yesterday to urge the end of a \$50,000-a-day fine imposed almost 11 months ago on Marc Rich & Company A.G. for not giving records to a grand jury.

"This conflict is simply unnecessary," said the attorney, Robert Herzstein, referring to a continuing dispute between Swiss and American authorities over the giant Swiss commodities broker's trading records.

The Swiss-based company and two fugitive owners, Marc Rich and Pincus Green, are charged with evading \$48 million in United States taxes on crude-oil profits. The company has paid \$15.3 million in fines since last June 29.

The Swiss seized the records last August because their release would violate secrecy laws, Mr. Herzstein said. He said they are willing to turn over the records if American authorities go through proper channels.

Assistant United States Attorney Morris Weinberg Jr. said that process was now under way.

SUBJECT: DISCLOSURE OF INFORMATION; FINES (PENALTIES)

ORGANIZATION: MARC RICH & CO AG

GEOGRAPHIC: SWITZERLAND

LEVEL 1 - 13 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

May 10, 1984, Thursday, AM cycle

SECTION: Business News

LENGTH: 399 words

HEADLINE: Swiss Government Asks an End to Marc Rich Fine

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

A lawyer for the Swiss government appeared before a U.S. appeals court Thursday to urge the end of a \$50,000-a-day fine imposed almost 11 months ago on Marc Rich & Co. A.G. for not giving records to a grand jury.

"This conflict is simply unnecessary," the lawyer said, referring to a continued dispute between Swiss and U.S. authorities over the giant Swiss commodities broker's trading records.

The Swiss-based company and two fugitive owners, Marc Rich and Pincus Green, are charged with evading \$48 million in U.S. taxes on crude-oil profits.

The Swiss seized the disputed records last August because their release would violate secrecy laws, said attorney Robert Herzstein. He said the Swiss now are willing to turn over the records _ without deletions that federal prosecutors here opposed _ if U.S. authorities go through the proper channels under Swiss law.

Herzstein said Switzerland is not interested in shielding anyone from an investigation. "Its interest is in the integrity of Swiss laws, its legal system and its sovereignty ... and effective cooperation with the United States," he told a three-judge panel of the 2nd U.S. Circuit Court of Appeals in New York's borough of Manhattan.

The judges, who reserved decision, peppered Assistant U.S. Attorney Morris Weinberg Jr. with questions, with Judge James L. Oakes saying "it's mystery to me" why federal authorities would not request the records under Swiss law.

Weinberg responded that the Swiss process was "untried" and time-consuming and that the Swiss in the past wanted to delete names from the papers. He said U.S. and Swiss authorities are negotiating, however.

The Marc Rich company has paid \$15.3 million in fines since the \$50,000 a day penalty was imposed last June 29. The company wants a refund of all the money

The Associated Press, May 10, 1984

paid since the Swiss impounded Marc Rich A.G. records last Aug. 5, or \$14 million.

"The Swiss government is begging, in effect, the United States government to make this request," said Peter L. Zimroth, the company's attorney. "It's 'Alice in Wonderland.' The only party that wants the documents doesn't want to make a request for them."

Weinberg acknowledged that Marc Rich A.G. is unable to turn over records now held by the Swiss government, but contended the company still has other papers which should be released.

"This case has a long history of deception," the prosecutor said.

LEVEL 1 - 14 OF 39 STORIES

Copyright © 1984 Time Inc. All Rights Reserved;
Fortune

January 23, 1984, Domestic Edition

SECTION: THE EDITOR'S DESK; Pg. 4

LENGTH: 383 words

BYLINE: William S. Rukeyser, MANAGING EDITOR

BODY:

WHEN newspapers first hinted that commodities traders Marc Rich and Pincus Green had slipped out of the U.S. in anticipation of a tax fraud indictment, associate editor Ford Worthy read between the lines. Worthy had been keeping track of them since an unlikely telephone encounter with Green while researching a 1981 article on the takeover of Salomon Brothers by Phibro -- the traders' alma mater. Surprised by the after-hours request for an interview, Green, who shuns the press, said no.

"Secrets of Marc Rich" (page 44) is Worthy's third collaboration with associate editor Shawn Tully. In their effort to separate the myth and hype from the saga of Marc Rich, Worthy pumped oil sources in Texas, Oklahoma, California, and New York. Tully left his base in Paris to visit Zug, Rich's Swiss headquarters. There he persuaded the outside directors of Marc Rich AG to tell their side of the tale and, from tax records, obtained previously unreported financial data about the company. Elsewhere, Tully ran across another source: former Secretary of State Henry Kissinger, a director of Twentieth Century-Fox Film, half-owned by Rich. "I spotted Kissinger slumbering away in the business-class section on a flight to Paris from London," says Tully. Diplomatically, Tully waited until the plane touched down before conducting a one-minute interview. Reporter Louis Richman concentrated on another significant thread of the story: the labyrinthine price regulations that governed the sale of domestic crude oil until 1981. Says Richman: "There are starkly different opinions out there over what constituted right and wrong."

When the story began to unfold last summer, picture researcher Maureen Duffy Benziger was assigned to come up with a shot of the nearly unphotographed Rich. "All we knew was that Rich looked a little bit like Rudolph Valentino," she says. Later Benziger received a jubilant call from Zug, where the photographer she dispatched said he had snapped "Rudolph" walking through the fog to his Mercedes. The picture FORTUNE carried last summer was picked up by newspapers and magazines all over the world. Starting with the cover, this issue offers more rare photographs of Rich and Green along with insights into the fast-money world in which they still loom large.

GRAPHIC: Picture 1, Tully, EILEEN COFFEY; Picture 2, Worthy, JILL FREEDMAN-ARCHIVE

LEVEL 1 - 15 OF 39 STORIES

Copyright © 1983 U.S. News & World Report

October 3, 1983

SECTION: Managing Your Money; Pg. 82

LENGTH: 363 words

HEADLINE: IRS Takes on Multinational Companies

BODY:

RECORD income-tax-evasion case is pointing up pitfalls that the U.S. government faces in auditing finances of multinational companies.

The Swiss-based Marc Rich commodity-trading firm was charged by a New York grand jury on September 19 with evading 48 million dollars in taxes. Authorities said that the company may face additional charges later involving even more money.

At the center of the case, affecting billions of dollars: How can Washington monitor dealings between firms doing business both in the U.S. and abroad?

The grand jury charged that one of Rich's U.S. subsidiaries bought oil from its parent firm in Switzerland at artificially high prices, thus transferring profits abroad and avoiding American taxes.

Experts say such sham transactions have become common as multinational firms try to minimize their taxes. "There are probably a dozen other Marc Rich-type cases out there undiscovered," says Thomas Field, a former prosecutor who heads Tax Analysts, a research organization.

Congress's General Accounting Office charges that the Internal Revenue Service is not doing enough to collect taxes owed by multinational firms, but tax officials cite these steps --

- * Agents are under orders to make international cases a top priority in the coming year. The corps of investigators assigned to such probes will be expanded from 297 to 364.

- * The U.S. went to court to obtain Japanese records of Toyota Motor Company to insure that the firm pays the full amount of its American taxes.

- * The IRS increasingly is exchanging tax information with its counterparts in other nations.

"We're doing everything we can, given the limits of tax treaties and budget constraints," said an IRS spokesman.

Even the U.S. government, however, can be stymied in dealing with balky countries such as Switzerland. Marc Rich and Pincus Green, officers of the Rich firm indicted with the company itself, are believed hiding in Switzerland and may be able to avoid extradition.

The overburdened IRS, experts conclude, is fighting an uphill battle to keep track of the billions of dollars flowing around the world among the ever

© 1983 U.S. News & World Report, October 3, 1983

growing network of multinational firms.

LEVEL 1 - 16 OF 39 STORIES

Proprietary to the United Press International 1983

September 30, 1983, Friday, PM cycle

SECTION: Domestic News

LENGTH: 304 words

HEADLINE: Economy At A Glance

KEYWORD: Econog lance

BODY:

HOUSTON -- Leaders of the pilots' union at Continental Airlines Thursday voted to strike in protest of pay cuts and longer hours imposed in a bankruptcy reorganization, but airline officials expected most pilots to stay at work. National leaders of the airline pilots union recommended an industry-wide protest strike over financial problems of the airline industry.

MIAMI -- Former Labor Secretary William Usery, hired by troubled Eastern Airlines to work out an agreement with its three unions, said Thursday he was setting up an independent audit of the carrier so he can form his own opinion on its financial status. Eastern President Frank Borman has told employees the company faces financial collapse without pay cuts.

WASHINGTON -- Philip Caldwell, chairman of Ford Motor Co., predicts the nation's No. 2 automaker will make a profit this year for the first time since 1979. Caldwell said Thursday Ford profits for the first half of the year were more than \$750 million, but refused to predict a year-end figure.

NEW YORK -- Multimillionaire commodity traders Marc Rich and Pincus Green failed to appear Thursday at their arraignment on a \$48 million tax evasion indictment. Prosecutors said Rich, thought to be in Switzerland with Green, has become a Spanish citizen. NEW YORK -- Stocks lost ground for the third consecutive session Thursday after two rally attempts fizzled on investor uncertainty about the course of interest rates. The Dow Jones Industrial average, up five points at the outset after losing six Wednesday, shed 1.83 to 1,240.14.

ATLANTA -- Ted Turner confirmed reports Thursday that far-ranging talks were under way between Turner Broadcasting Systems' Headline News subsidiary and Satellite News Channel, but said no agreement has been reached on purchase of SNC operations.

LEXIS NEXIS LEXIS NEXIS

LEVEL 1 - 17 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 29, 1983, Thursday, BC cycle

SECTION: Business News

LENGTH: 219 words

HEADLINE: Marc Rich, Pincus Green Absent at Arraignment

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

As expected, commodities trader Marc Rich and partner Pincus Green failed to appear Thursday at their arraignment on charges of evading \$48 million in taxes.

Federal authorities had anticipated the no-show, and arrest warrants have been issued for Green and Rich, who has become a Spanish citizen, Assistant U.S. Attorney Morris Weinberg Jr. said.

Their company, Swiss commodities trading giant Marc Rich & Co. A.G., entered a plea of innocent to the charges.

A New York-based subsidiary, Marc Rich & Co. International Ltd., also pleaded innocent. Its attorney, Peter Fleming, noted during the hearing that the company is now called Clarendon Ltd.

An executive at the subsidiary, Clyde Meltzer, 38, of Manhattan, was present and pleaded innocent to the charges before Judge Vincent L. Broderick at U.S. District Court in Manhattan. He is charged with racketeering, tax evasion and fraud.

Rich and Green face the same charges, in addition to allegations they illegally traded in oil with Iran during the Iranian hostage crisis.

The case involving the largest alleged tax fraud ever uncovered has been assigned to Judge Shirley Wohl Kram.

The government alleges that Marc Rich International illegally evaded payment of taxes in 1980 and 1981 on profits from violations of federal oil price controls.

LEVEL 1 - 18 OF 39 STORIES

Proprietary to the United Press International 1983

September 29, 1983, Thursday, BC cycle

SECTION: Financial

LENGTH: 357 words

DATELINE: NEW YORK

KEYWORD: Rich

BODY:

Multimillionaire commodity traders Marc Rich and Pincus Green failed to appear Thursday at their arraignment on a \$48 million tax evasion indictment. But their companies and a business associate entered innocent pleas to the charges.

At the arraignment at U.S. District Court in Manhattan, prosecutors revealed that Rich has renounced his American citizenship and is now a Spanish citizen. Arrest warrants have been issued for Rich and Green, who are believed to be in Switzerland where their giant commodity firm, Marc Rich & Co. A.G., is based.

"We consider them to be fugitives," Assistant U.S. Attorney Morris Weinberg Jr. told U.S. District Judge Vincent Broderick.

Spain has an extradition treaty with the United States. But Switzerland does not consider tax evasion an extraditable offense.

Outside the courtroom, Weinberg said the government is "exploring" the possibility of extradition proceedings.

Under U.S. law, Rich and Green cannot be tried in absentia. Federal prosecutors are proceeding with their case against the companies.

Defense lawyers entered innocent pleas for the giant trading firm, Marc Rich & Co. A.G., and its U.S. subsidiary, Marc Rich and Co. International of New York.

Appearing at the arraignment was defendant Clyde Meltzer, 38, of New York City. Meltzer also pleaded innocent to the charges.

Meltzer was indicted along with Rich, Green and their companies for tax evasion, racketeering and fraud.

According to the indictment, Meltzer was hired in 1982 as an oil trader for Rich and participated in a conspiracy to evade about \$33 million of the \$48 million in taxes.

Meltzer was formerly vice-president in charge of crude-oil trading at Liso Petroleum Inc. of Houston. The indictment alleges that Rich's companies conspired with the Texas firm to fraudulently sell controlled oil at uncontrolled prices when U.S. price controls were in effect.

Proprietary to the United Press International, September 29, 1983

In announcing the indictments against Rich and Green and their companies and Meltzer last week, U.S. Attorney Rudolph Giuliani said it was "the biggest tax fraud case ever brought in U.S. history."

Meltzer was released in \$250,000 bail.

LEVEL 1 - 19 OF 39 STORIES

Proprietary to the United Press International 1983

September 29, 1983, Thursday, PM cycle

SECTION: Regional News

DISTRIBUTION: New York Metro, New York Metro

LENGTH: 352 words

BYLINE: By ELLAN CATES

DATELINE: NEW YORK

KEYWORD: Rich

BODY:

Multimillionaire commodity traders Marc Rich and Pincus Green failed to appear today at their arraignment on a \$48 million tax evasion indictment, but their firms and an associate pleaded innocent to the charges.

At the arraignment at U.S. District Court in Manhattan, prosecutors revealed Rich had renounced his American citizenship and become a Spanish citizen.

Arrest warrants have been issued for Rich and Green, who are believed to be in Switzerland where their giant commodity firm, Marc Rich & Co. A.G., is based.

"We consider them to be fugitives," Assistant U.S. Attorney Morris Weinberg Jr. told U.S. District Judge Vincent Broderick.

Spain has an extradition treaty with the United States, but Switzerland does not consider tax evasion an extraditable offense.

Outside the courtroom, Weinberg said the government was "exploring" the possibility of extradition proceedings.

Under U.S. law, Rich and Green cannot be tried in absentia. Federal prosecutors are proceeding with their case against the companies.

Defense lawyers entered innocent pleas for the giant trading firm, Marc Rich & Co. A.G., and its U.S. subsidiary, Marc Rich and Co. International of New York.

Appearing at the arraignment was defendant Clyde Meltzer, 38, of New York City. Meltzer also pleaded innocent to the charges and was released in \$250,000 bail.

Meltzer was indicted along with Rich, Green and their companies for tax evasion, racketeering and fraud.

According to the indictment, Meltzer was hired in 1982 as an oil trader for Rich and participated in a conspiracy to evade about \$33 million of the \$48 million in taxes.

LEXIS NEXIS LEXIS NEXIS

Proprietary to the United Press International, September 29, 1983

Meltzer was formerly vice-president in charge of crude-oil trading at Liso Petroleum Inc. of Houston. The indictment alleges that Rich's companies conspired with the Texas firm to fraudulently sell controlled oil at uncontrolled prices when U.S. price controls were in effect.

In announcing the indictments against Rich and Green and their companies and Meltzer last week, U.S. Attorney Rudolph Giuliani said it was "the biggest tax fraud case ever brought in U.S. history."

LEVEL 1 - 20 OF 39 STORIES

Copyright © 1983 McGraw-Hill, Inc.;
Metals Week

September 26, 1983

SECTION: GOVERNMENT; Volume 54, No. 39; Pg. 8

LENGTH: 453 words

HEADLINE: Marc Rich goes down on 51 counts of tax evasion, fraud, and conspiracy

BODY:

The trading community last week tried to disassociate itself from the dubious distinction of harboring a company indicted for what is believed to be the largest tax evasion scam in US history. On Sept. 19 a Federal grand jury levied a 51-count indictment against Marc Rich and Pincus Green, the principal owners of Marc Rich & Co. A.G., for tax evasion, mail and wire fraud, racketeering, conspiracy, and trading with an enemy of the US.

After a year-long investigation plagued by difficulties in obtaining subpoenaed documents from Marc Rich in Switzerland, the Federal grand jury said it had enough evidence to show that Marc Rich had evaded \$48-million in taxes owed on over \$100-million in unreported profits made in 1980-81 by its US subsidiary Marc Rich & Co. International. The jury also said Marc Rich had bought \$200-million of Iranian oil during the trade embargo imposed on Iran while US hostages were being held.

Sources believe the grand jury indictment is just the tip of the iceberg. There were reports that as the grand jury investigation continues, prosecutors expect to prove that the company evaded more than \$48-million in taxes by selling oil at free market prices during a period when US price controls were in effect.

Originally estimated at \$20-million, the taxes owed by Marc Rich have mushroomed considerably. The metals community is now waiting to see what the fallout will be from the recent news. There are indications that the grand jury will proceed to examine whether laws were broken when Marc Rich sold off Marc Rich International to Clarendon Ltd. on June 30.

Clarendon liquidating?

Marc Rich and Pincus Green reportedly are hiding in Switzerland, and it is uncertain whether the Swiss government will extradite the two men. Tax evasion is not a crime in Switzerland, but fraud and forgery are. According to Barron's, lawyers for Rich and Green tried to plea-bargain earlier for a four- to five-year prison sentence in exchange for an end to the grand jury investigation. If indicted on all 51 counts, their prison sentences would add up to 325 years.

In order to recoup its tax losses, the US government might have to seize Marc Rich's US assets, including its 50% interest in 20th Century Fox Film and possibly Clarendon Ltd., even though Clarendon says it has no ties to Marc Rich.

Metal traders expect Clarendon to accelerate the liquidating of its positions in copper, tin, aluminum, and moly. Some merchants report that large copper

LEXIS NEXIS LEXIS NEXIS

© 1983 Metals Week, September 26, 1983

fire sales already have been concluded (See Copper, p7). Meanwhile, the phones of Clarendon reportedly are quiet as few companies want to risk doing business with the former Marc Rich subsidiary.

LEVEL 1 - 21 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 24, 1983, Saturday, BC cycle

SECTION: Domestic News

LENGTH: 1114 words

HEADLINE: Problems in Personal Computers Growing More Intense

BYLINE: By ROBERT BURNS, AP Business Writer

DATELINE: NEW YORK

KEYWORD: Week's Business

BODY:

The race for survival in the personal computer business is approaching a frenzied pace, and signs of treacherous footing are appearing almost daily.

Jostling for position grew more intense this past week as the industry received one new entry while two other manufacturers showed how bloody the battle has become.

Apple Computer Inc., the Cupertino, Calif., company that pioneered the personal computer business in 1977 with its Apple II, disclosed that it expects to report "sharply lower" profit for its fiscal fourth quarter ending Sept. 30.

John Sculley, the Apple president, said fourth-quarter profit would be \$5 million to \$8 million — a huge decline from the \$24.2 million Apple earned in the previous quarter and the \$18.7 million it earned in the fourth quarter last year.

The expected decline for the current quarter would be only the second time Apple has reported a year-to-year decline in quarterly profit in its six-year existence.

Apple also announced that it would begin selling its Lisa personal computer separate from a package of software and that it had cut Lisa's price by 18 percent. The decision to sell Lisa without the software was seen by industry analysts as a concession by Apple to retailers who wanted more flexibility in sales.

Texas Instruments Inc., which is working on a new version of its home computer, said its sales in July and August were even lower than it had expected.

Mark Shepherd, Texas Instruments' chairman, told institutional investors in San Francisco that if sales continued to lag, it could result in "a significant loss" for the year. The company previously reported a \$119.2 million loss for the second quarter because of declining sales of home-computer consoles and

LEXIS NEXIS LEXIS NEXIS

The Associated Press, September 24, 1983

software.

The heated competition in personal computers already has claimed some victims.

Osborne Computer Corp., a pioneer in portable computers, filed for court protection under Chapter 11 of the U.S. Bankruptcy Code on Sept. 13, although it continues to operate.

This past week, Osborne, its principal banks and others were accused of fraud by creditors and shareholders in a lawsuit filed in federal court in San Francisco.

The lawsuit charged that Osborne and the other defendants misled shareholders by, among other things, issuing a financial forecast for 1982 that predicted Osborne would earn about \$9 million for the fiscal year ended last Nov. 27.

The lawsuit alleged that Osborne, a closely held concern, lost \$1 million in that fiscal year. Attorneys for Osborne and its banks denied the allegations in the lawsuit.

The source of much of the pain being felt by certain computer companies is International Business Machines Corp., the computer industry giant that has moved rapidly toward the top of the personal computer market just two years after it introduced its Personal Computer.

While Apple and Texas Instruments were displaying their wounds this past week, some other companies moved closer to the fray.

Hewlett-Packard Co. introduced the HP 150, a personal computer aimed at the business market. The company said it would spend \$10 million advertising the new computer, much of it on a television campaign scheduled to start in November.

Hewlett-Packard also announced plans to triple its 450 retail outlets in the next 12 to 18 months in order to more efficiently market the new HP 150 computer.

Coleco Industries Inc., meanwhile, won government approval to begin marketing its new Adam personal computer system. The Federal Communications Commission said Adam met its technical standards, and Coleco said it intended to start "a significant quantity" of shipments in mid-October. Coleco initially had announced plans to start shipments in mid-August.

In other business and economic developments this past week:

The Commerce Department reported the gross national product — the broadest measure of economic activity — is rising at a 7 percent annual rate in the current quarter ending Sept. 30. The department also said GNP grew at a 9.7 percent annual rate in the previous quarter, a revision from its earlier estimate of 9.2 percent. The report said prices, as computed on a measure based on the GNP, are rising at a mild 3.2 percent annual rate in the current quarter, the smallest quarterly rise since 1972.

The Commerce Department said inflation, as measured by the Consumer Price Index, rose 0.4 percent in August, mainly because of higher food prices. As a

LEXIS NEXIS LEXIS NEXIS

The Associated Press, September 24, 1983

result, inflation for the first eight months of the year was running at a 3.4 percent annual rate, compared with a 3.9 percent increase in 1982. Separately, the government reported that factory orders for durable goods rose 0.3 percent in August.

The stock market leaped to record heights twice as investors were encouraged by a moderating economic recovery and continued good news on the inflation. On Tuesday, the Dow Jones average of 30 industrial stocks surpassed the peak it had reached in June, and two days later it established a new record of 1,257.52. It slipped a bit on Friday to finish at 1,255.59, a gain of 29.88 points on the week.

Williams Cos. and Allen & Co. Inc. settled their takeover battle for Northwest Energy Co., announcing an agreement under which Williams, an energy and fertilizer producer, will buy Northwest for \$725 million. Allen & Co., a New York investment house, will receive \$26.7 million from Williams for stepping aside. Northwest's management originally had agreed to be acquired by Allen, but the deal fell apart after Williams made a bid.

Texaco Inc., the nation's third largest oil company, said it agreed in principle to buy Standard Oil Co. of California's refining and marketing operations in the United Kingdom, West Germany, Belgium, the Netherlands, Luxembourg and Denmark. A price was not disclosed, and Texaco said the negotiations were not complete. With the purchase, Texaco would increase the number of Texaco-branded gasoline stations in those six countries from 3,400 to 6,000.

The Commerce Department said construction of new homes rose to the highest level in 4 1/2 years as housing starts last month reached an annual rate of 1.94 million, up 8.4 percent from July. Separately, the department reported that Americans' personal income rose 0.2 percent in August while consumer spending fell 0.3 percent.

A federal grand jury in New York charged Marc Rich & Co. AG and its two principal officers — Marc Rich and Pincus Green — with concealing more than \$100 million in taxable income from oil trading activities in 1980 and 1981. The 51-count indictment charged that the actions by the huge commodities trading firm resulted in the evasion of more than \$48 million in taxes.

LEXIS NEXIS LEXIS NEXIS

LEVEL 1 - 22 OF 39 STORIES

Copyright © 1983 Facts on File, Inc.;
Facts on File World News Digest

September 23, 1983

SECTION: U.S. AFFAIRS

PAGE: Pg. 720 D2

LENGTH: 1297 words

HEADLINE: Marc Rich Co., Founders, Associate Indicted;
Tax Fraud Is Called Largest Ever

BODY:

A federal grand jury in New York City Sept. 19 handed up a 51-count indictment against the Swiss-based Marc Rich & Co. AG that charged the commodities trading firm with evading some \$48 million in U.S. taxes in 1980 and 1981. Marc Rich AG's founders, an associate and the firm's U.S. unit were also named in the indictment. U.S. attorneys said the case represented the largest tax-evasion prosecution ever undertaken in the U.S. [See p. 621D3]

The indictment of the huge international commodities trading firm followed an 18-month investigation of Marc Rich AG. The investigation had been hampered by disputes between U.S. prosecutors and the nation of Switzerland. Because of strict Swiss laws protecting business secrets, the Swiss government had seized Marc Rich AG papers in Switzerland that the U.S. had tried to subpoena.

Differences between laws in the two nations were expected to further hamper prosecution of the case. One point of contention was expected to be the extradition of the company's founders, Marc Rich and Pincus Green. The men had left the U.S. for Switzerland in June and had refused on many occasions to appear in U.S. courts.

Charges of Violating Iranian Boycott -- The 51-count indictment spanned a variety of federal charges. Besides tax evasion, the suspects and the indicted companies were charged with mail and wire fraud, racketeering, violations of federal controls on oil prices and illegal purchases of oil from Iran following the suspension of trade with that nation during the 1978-80 hostage crisis. If convicted on all counts, Marc Rich and Pincus Green could each be sentenced to as many as 325 years in prison.

Concerning the Iranian boycott charges, the indictment claimed Marc Rich firms had purchased illegally over 6 million barrels of crude oil from the Iranian National Oil Co. for over \$200 million. During the time the oil was purchased, President Carter had suspended trade with Iran in an effort to exert economic pressure on that nation in order to win a release of the American hostages being held there.

U.S. prosecutor Morris Weinberg Sept. 19 said that Marc Rich firms managed to have some U.S. banks, which he did not name, unknowingly transfer funds out of the U.S. that were eventually used to pay Iran. The indictment did not say to whom the Marc Rich concerns sold the Iranian oil.

© 1983 Facts on File, September 23, 1983

The indictment also charged that Marc Rich concerns violated federal controls on oil prices that had been in effect from 1973 through early 1981. Through a "daisy chain" of transactions, the indictment alleged, Marc Rich companies had bought oil that had a low price ceiling and eventually sold the commodity as oil that had a higher price ceiling or no ceiling at all. Two Texas companies were described in the indictment as participating in the scheme, but neither was indicted. A former Marc Rich officer who traded in crude oil, Clyde Meltzer, was the Marc Rich associate who was also indicted in the case. According to the indictment, Meltzer participated in conspiracies to evade \$33 million in taxes out of the total of \$48 million that Marc Rich interests were accused of not paying.

(According to the Wall Street Journal Sept. 22, government and industry records showed that during the period of price controls, some 400 million barrels of oil with low price ceilings were produced in the U.S. that did not reach refineries. Records showed a similar amount of higher priced oil that was refined without any records of it having been produced, according to the Journal. The Journal quoted an Energy Department spokesman as saying that five major oil companies were currently under investigation for possible criminal violations concerning price controls. The Energy Department said it had recovered \$79 million from 47 cases involving price violations by crude oil traders. The department was still pursuing over 100 such cases, the Journal reported. [See p. 390C2; 1982, p. 861E2])

Marc Rich concerns evaded other taxes through "sham transactions" that saw the U.S. unit pay artificially high prices for oil from the Swiss parent company, according to the indictment. Such transactions had the effect of reducing profits -- and therefore taxes -- for the U.S. unit. The profits allegedly were transferred to Marc Rich operations where taxes were lower.

Swiss-U.S. Controversy -- The Swiss government Sept. 21 filed a formal protest with the U.S. over U.S. attempts to obtain Marc Rich AG papers that were in Switzerland. The Swiss government in August had seized the papers in question from Marc Rich AG headquarters in Zug, Switzerland.

The Swiss protest came in response to a U.S. Energy Department subpoena for papers concerning Marc Rich concerns' oil trades. (The Justice Department had earlier subpoenaed Marc Rich AG papers in Switzerland.)

Matthias Kraft, a senior foreign ministry officer in Bern, said the subpoena calling for Marc Rich AG to deliver the papers to the U.S. violated international law because it infringed on Swiss sovereignty. The Swiss had seized the papers on the ground that releasing them to the U.S. would violate Swiss laws protecting business secrecy.

(It had been reported earlier that U.S. and Swiss officials had met in Switzerland for preliminary talks on how the U.S. could obtain the papers.)

U.S. prosecutors claimed Sept. 20 that the case against Marc Rich interests could be expanded if the Swiss papers could be brought to the U.S. Attorneys said the Swiss-held papers, which U.S. authorities had not seen, included documents outlining plans to defraud the U.S. government. The attorneys also said the federal grand jury was investigating whether to indict Marc Rich concerns for obstructing justice by selling the Marc Rich U.S. subsidiary to former Marc Rich executives in June. [See p. 622E1]

© 1983 Facts on File, September 23, 1983

(The Washington Post Sept. 16 cited Swiss accounts that the papers sought by the U.S. would reveal that Marc Rich interests served as the go-between for oil sales from Soviet Bloc nations to South Africa. Soviet Bloc nations did not have formal diplomatic relations with South Africa.)

Commenting on whether Marc Rich and Pincus Green would voluntarily return to the U.S. to be tried, U.S. assistant attorney Lawrence B. Pedowitz said, "We have every reason to believe that Mr. Rich and Mr. Green will become fugitives from justice."

According to the Wall Street Journal, Justice Department officials met Sept. 22 to decide on a strategy for having Rich and Green extradited to the U.S. Such an extradition would be governed by a treaty signed by Switzerland and the U.S. in 1900. Tax evasion was not among the crimes listed on the treaty that would warrant extradition. Indeed, the U.S. had no income tax at the time the treaty was agreed to. The treaty did not "include modern crimes," according to Robert Herstein, an attorney for the Swiss government.

The U.S. could also seek extradition based on a new treaty of international assistance that had gone into effect at the beginning of 1983. Under terms of that treaty, extradition could occur if the crime the men were charged with having committed was also a crime in Switzerland. It was not clear if the charges against Green and Rich would fall in that category.

U.S. prosecutor Pedowitz said that the government might also try to obtain a "superseding indictment" against the men. Such a document could be tailored to win Swiss extradition of the suspects, according to sources quoted in the Wall Street Journal.

Government lawyers said they would prosecute Marc Rich AG and its U.S. unit even if they could not bring Green and Rich himself to trial. If the companies were convicted, prosecutors said, the U.S. would seek to seize the company's "hundreds of millions of dollars" in U.S. assets.

LEVEL 1 - 23 OF 39 STORIES

Copyright © 1983 Reuters, Ltd.;
Reuters North European Service

SEPTEMBER 21, 1983, WEDNESDAY

LENGTH: 538 words

HEADLINE: SWITZERLAND PROTESTS TO U.S. IN MARC RICH DISPUTE

BYLINE: BY MARCUS FERRAR

DATELINE: BERNE, SEPT 21

KEYWORD: SWITZERLAND PROTESTS

BODY:

THE SWISS GOVERNMENT FORMALLY PROTESTED TO WASHINGTON TODAY OVER U.S. ATTEMPTS TO SEIZE EVIDENCE AGAINST INTERNATIONAL COMMODITIES TRADER MARC RICH IN SWITZERLAND.

MATTHIAS KRAFT, A SENIOR FOREIGN MINISTRY OFFICIAL, TOLD A PRESS CONFERENCE HERE THAT A U.S. ENERGY DEPARTMENT SUBPOENA OF AUGUST 25 ORDERING THE SWISS-BASED COMPANY TO HAND OVER DOCUMENTS VIOLATED INTERNATIONAL LAW BECAUSE IT INFRINGED SWISS SOVEREIGNTY.

SWISS AMBASSADOR ANTON HEGNER WAS DIRECTED TO MAKE A FORMAL PROTEST AT THE U.S. DEPARTMENT OF STATE TODAY.

THE JUSTICE MINISTRY MEANWHILE ORDERED MARC RICH AND CO A.G., WHICH IS BASED IN THE SWISS TOWN OF ZUG, TO REFRAIN FROM HANDING OVER THE DOCUMENTS SOUGHT BY THE ENERGY DEPARTMENT. THE PENALTY FOR DISOBEYING THE ORDER WOULD BE UP TO THREE MONTHS IMPRISONMENT OR 20,000 SWISS FRANCS (9,000 DOLLARS) IN FINES.

MARC RICH, 49, AN AMERICAN OF BELGIAN ORIGIN, FACES TOGETHER WITH HIS COMPANIES AND ASSOCIATES THE LARGEST TAX EVASION CASE IN U.S. HISTORY.

AN INDICTMENT ISSUED IN NEW YORK ON MONDAY ACCUSED THEM OF EVADING 48 MILLION DOLLARS OF TAXES IN THE UNITED STATES, MAIL AND WIRE FRAUD, RACKETEERING, CONSPIRACY AND ILLEGALLY BUYING OIL FROM IRAN DURING THE TEHRAN HOSTAGE CRISIS.

THE ENERGY DEPARTMENT SUBPOENA -- AN ORDER TO PRODUCE EVIDENCE UNDER THREAT OF COURT SANCTIONS -- WAS FOR PAPERS CONCERNING ALL OIL TRADES DONE BETWEEN AUGUST 19, 1973, AND JANUARY 27, 1981.

ON AUGUST 12, SWISS PROSECUTORS CONFISCATED DOCUMENTS WHICH MARC RICH WAS PREPARING TO SEND TO THE UNITED STATES FROM ZUG, TO COMPLY WITH ANOTHER SUBPOENA ISSUED FOR THE TAX INVESTIGATIONS.

THE JUSTICE MINISTRY AT THAT TIME CITED A SWISS ECONOMIC SECRECY LAW WHICH FORBIDS COMPANIES TO DIVULGE INFORMATION WHICH COULD HARM THIRD PARTIES -- IN MARC RICH'S CASE HIS CUSTOMERS.

JUSTICE MINISTRY OFFICIAL LIONEL FREI SAID SWISS AUTHORITIES HAD NOT SEIZED THE DOCUMENTS SOUGHT BY THE ENERGY DEPARTMENT SO FAR, BUT HE DID NOT EXCLUDE THIS EVENTUALLY.

© 1983 Reuters North European Service, SEPTEMBER 21, 1983

A U.S. ATTORNEY (PROSECUTOR) SAID ON MONDAY THE AMERICAN AUTHORITIES WOULD SEEK THE EXTRADITION OF MARC RICH AND PINCUS GREEN, AN AMERICAN ASSOCIATE, FROM SWITZERLAND. SWISS GOVERNMENT SPOKESMAN ACHILLES CASANOVA SAID NO REQUEST HAD BEEN RECEIVED SO FAR, AND HE DECLINED TO PREDICT HOW IT WOULD BE HANDLED HERE.

FREI SAID THERE WAS NO INTENTION OF PROTECTING POSSIBLE CRIMINALS, BUT IT WAS UNACCEPTABLE THAT SANCTIONS SHOULD BE APPLIED IN SWITZERLAND WITHOUT GOING THROUGH THE BERNE GOVERNMENT.

THE FOREIGN MINISTRY OFFICIAL REPEATED A PREVIOUS INSISTENCE THAT THE U.S. AUTHORITIES USE ESTABLISHED LEGAL ASSISTANCE CHANNELS, ALREADY SUCCESSFULLY USED BETWEEN THE TWO COUNTRIES 148 TIMES, HE SAID. THESE PROVIDE FOR THE SWISS AUTHORITIES TO HELP FOREIGN INVESTIGATIONS UNDER CERTAIN CIRCUMSTANCES.

IF THE UNITED STATES USED THE LEGAL ASSISTANCE CHANNELS, THEY WOULD RECEIVE "THE FIRST CONCRETE INFORMATION" WITHIN THREE WEEKS, FREI SAID. HE DESCRIBED A U.S. ASSERTION THAT USING THE CHANNELS WOULD DRAG THE CASE OUT FOR YEARS AS EXAGGERATED.

U.S. NEGOTIATORS AT TALKS ON THE AFFAIR IN BERNE EARLIER THIS MONTH REFUSED TO GIVE ASSURANCES THAT THE ENERGY DEPARTMENT SUBPOENA WOULD BE WITHDRAWN. ITS DEADLINE WAS DUE TO EXPIRE TODAY, THE OFFICIALS SAID.

LEVEL 1 - 24 OF 39 STORIES

Copyright © 1983 The New York Times Company;
The New York Times

September 21, 1983, Wednesday, Late City Final Edition

SECTION: Section D; Page 1, Column 3; Financial Desk

LENGTH: 1052 words

HEADLINE: MARC RICH MAY FACE NEW CHARGES

BYLINE: By ERIC N. BERG

BODY:

Marc Rich and Pincus Green, the multimillionaire commodity traders indicted Monday for evading a record \$48 million in taxes, may face additional charges of tax evasion and obstruction of justice as the grand jury investigation of their dealings continues, Federal prosecutors said yesterday.

Meanwhile, an official of Switzerland, where the two are believed to be hiding, said that his Government had begun to explore ways it might extradite Mr. Rich and Mr. Green to the United States.

Tax evasion is not a crime in Switzerland and would not be grounds for extradition, but the official said the indicted businessmen might be turned over to United States authorities if it could be proved they committed fraud or forgery for a crime other than tax evasion.

"It is not our intent to protect a criminal," said Juerg Leutert, the legal attache to the Swiss Embassy, at a news conference in New York. "And we certainly do not wish to frustrate the order of a United States court."

Mr. Leutert emphasized, however, that Swiss officials would scrutinize the charges against Mr. Rich and Mr. Green closely before deciding whether extradition could be undertaken under Swiss law. As part of a 51-count indictment, Mr. Rich and Mr. Green are accused of resorting to fraud and racketeering to commit the largest tax evasion in United States history.

The prosecutors said they would seek to bring new tax evasion charges against the commodity traders at least as large as those handed up Monday. The commodity traders, who are United States citizens, were also indicted for trading with the enemy by purchasing \$200 million in Iranian oil when American hostages were being held in Iran and trade with Iran was illegal.

"The grand jury is continuing to investigate tax evasion involving amounts equal to or greater than the \$100 million set forth in yesterday's indictment," said Morris W. Weinberg Jr., the Assistant United States Attorney leading the investigation.

In a packed courtroom before Federal Judge Leonard B. Sand, Mr. Weinberg said the grand jury was also investigating whether the traders had obstructed justice when they sold their controlling interest in Marc Rich & Company International, their United States trading unit.

Sale in June

LEXIS NEXIS LEXIS NEXIS

© 1983 The New York Times, September 21, 1983

They sold Marc Rich International late in June, only one day after Judge Sand held Marc Rich & Company A.G., which is Marc Rich International's Swiss parent, in contempt of court for failing to turn over documents subpoenaed in a tax investigation.

According to Mr. Weinberg, the grand jurors are also seeking to determine if obstruction of justice occurred when Marc Rich International loaded subpoenaed documents onto a plane about to depart for Switzerland. Mr. Weinberg said the jury would also attempt to ascertain if Mr. Rich or Mr. Green contributed to the Swiss Government's seizing of subpoenaed documents about a month ago.

To answer these questions, Mr. Weinberg said, "We believe the first witnesses who should be called are Mr. Rich and Mr. Green." The men, however, have failed to appear in court for more than a year.

Lawrence B. Pedowitz, chief of the criminal division for the United States Attorney's office, said: "We have every reason to believe, based on their past behavior, that Mr. Rich and Mr. Green will become fugitives from justice. As I understand it, Mr. Rich and Mr. Green are guests of Switzerland. They may become unwelcome guests."

Trip to Berne Disclosed

At the hearing, Mr. Pedowitz disclosed for the first time since Swiss authorities seized the Marc Rich documents that he and other Justice Department officials as well as representatives of the State Department traveled to Berne early this month to seek possession of the documents.

But the United States delegation was unsuccessful. Although the Swiss were "at all times courteous," he said, they steadfastly refused to turn over the papers.

The Swiss maintain that making the seized papers public might reveal proprietary information about companies with which Marc Rich does business. Such a move could violate the Swiss criminal code, which considers such disclosures "economic espionage."

The Swiss have also been miffed by what they consider the United States's failure to follow established diplomatic procedures to obtain the papers.

According to Mr. Leutert, the Swiss continue to believe that the United States has no right to take documents from a foreign concern without following an established diplomatic procedure known as the mutual assistance treaty in criminal matters.

He released the contents of a letter from the Swiss Ambassador, Anton Hegner, to Judge Sand in which the Swiss said they would turn over all the subpoenaed documents in three weeks if the United States followed the diplomatic route. The relinquished documents would have the names of third parties deleted.

"They could get all the documents they want," Mr. Leutert said. But referring to United States claims that producing the subpoenaed documents would not violate Swiss law, he said: "It is inappropriate to take advice from a foreign nation about whether Swiss law is being violated."

© 1983 The New York Times, September 21, 1983

Nonetheless, the United States continued yesterday to press its claim for the Marc Rich papers. In his court remarks, Mr. Pedowitz said that the only business secrets in the documents seized by the Swiss were "plans to defraud the United States Government." He added: "This we did not think worthy of Swiss Government protection."

Claim to Be Withdrawn

Mr. Pedowitz also said that his office had received word from Marc Rich lawyers that Marc Rich A.G., the Swiss-based concern, would withdraw its claim that it does not do business in the United States. This is an important point in the case, since in general United States law extends only to companies with domestic interests.

Judge Sand, who has been hearing the Marc Rich case for more than a year, will decide at a session today the status of a \$50,000-a-day fine levied against Marc Rich A.G. June 29 after the firm was held in contempt. So far, Marc Rich A.G. has paid more than \$2 million.

Federal prosecutors have said they will attempt to seize Mr. Rich's 50 percent interest in the 20th Century-Fox Film Corporation if they convict either Mr. Rich or any of his firms.

GRAPHIC: photo of Marc Rich

SUBJECT: TAX EVASION; EXTRADITION; TAXATION; FEDERAL TAXES (US)

ORGANIZATION: MARC RICH & CO AG

NAME: RICH, MARC; GREEN, PINCUS; BERG, ERIC N

GEOGRAPHIC: SWITZERLAND

LEVEL 1 - 25 OF 39 STORIES

Copyright © 1983 McGraw-Hill, Inc.;
Platt's Oilgram News

September 21, 1983, Wednesday

SECTION: UNITED STATES; Vol. 61, No. 183; Pg. 4

LENGTH: 425 words

HEADLINE: U.S. CONTINUES MARC RICH PROBE, GRAND JURY 'CONCERNED' OVER OIL DEALS

DATeline: New York 9/20

BODY:

A federal grand jury here is looking into possible "tax evasion schemes" by Marc Rich & Co. International that are "at or larger than" the alleged \$48-million evasion charged in Sept. 19 indictment (ON 9/19), a U.S. attorney said in U.S. District Court in Manhattan today.

Also, the chief of the criminal division for the Justice Dept. in New York's Southern District, Lawrence B. Pedowitz, told OILGRAM NEWS that there's "continuing concern about oil transactions" in the grand jury investigation.

He noted that subpoenas have been issued to U.S. oil firms, and that the department "has received information from some American oil companies" as part of the investigation.

'Golden Nuggets'

Pedowitz said during today's court hearing that documents previously seized by the government of Switzerland (ON 9/12) are extremely important to both the current indictment and the continuing grand jury probe. "We know a great deal about the oil transactions discussed in those documents," he said. "They are the golden nuggets."

However, it doesn't seem as though the Swiss government is ready to surrender the documents the U.S. has requested. In a letter to U.S. District Court Judge Leonard B. Sand, who has been holding hearings on the case, Swiss Ambassador to the U.S. Anton Hegner said that "in the absence of a formal request for assistance under the Federal Act on International Mutual Assistance in Criminal Matters, any examination of the documents by the U.S. Attorney is forbidden by Swiss law."

U.S. attorneys said that seeking the documents via such a request would lead to appeals by third parties mentioned in the papers and result in possible delays of "two or three years."

They said, however, that the U.S. would continue to negotiate with the Swiss for access to the documents, and that they hoped for Swiss government cooperation in the extradition of Marc Rich and Pincus Green to the U.S.

Future Hearings

Another hearing will be held, perhaps as soon as Sept. 21, to determine if Marc Rich & Co. International should continue to pay the \$50,000/day fine

© 1983 Platt's Oilgram News, September 21, 1983

Judge Sand imposed on June 29 (ON 7/21).

A further hearing was scheduled for Oct. 3 on whether Marc Rich International is still in contempt of its civil conviction concerning failure to turn over subpoenaed documents.

Further hearings on whether Marc Rich International's sale of its U.S. assets was an arms-length agreement or, as the U.S. contends, a sham, have been postponed until the grand jury completes its investigation.

LEVEL 1 - 26 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 20, 1983, Tuesday, PM cycle

SECTION: Business News

LENGTH: 206 words

DATELINE: NEW YORK

KEYWORD: Business Highlights

BODY:

In what authorities said was the largest U.S. tax case ever prosecuted, Marc Rich & Co. A.G. and two owners of the Swiss commodities trading giant have been indicted on charges of evading \$48 million in taxes.

The 51-count indictment handed up Monday by a federal grand jury in Manhattan also charged businessmen Marc Rich and Pincus Green with "trading with the enemy" by buying \$200 million worth of oil from Iran during the Iranian hostage crisis.

The oil purchases with Iran were made after the Nov. 4, 1979, seizure of the U.S. embassy in Tehran and after the administration of President Carter declared it illegal to trade with Iran, according to the charges.

The grand jury alleged that the company dodged taxes by concealing \$100 million in illicit profit earned by sidestepping federal price controls on domestic oil.

The indictments came after an investigation by the FBI, Internal Revenue Service and Customs Service that was marked by controversy.

Marc Rich A.G. was fined \$50,000 a day starting June 29 for refusing to yield subpoenaed documents. After it agreed to turn over the papers, the company tried to ship them to Switzerland. The documents were seized by federal agents at Kennedy International Airport.

LEVEL 1 - 27 OF 39 STORIES

Copyright © 1983 The New York Times Company;
The New York Times

September 20, 1983, Tuesday, Late City Final Edition

SECTION: Section B; Page 1, Column 1; Metropolitan Desk

LENGTH: 852 words

HEADLINE: NEWS SUMMARY;
TUESDAY, SEPTEMBER 20, 1983

BODY:
International

American forces directly supported the Lebanese Army for the first time. A Navy cruiser and destroyer moved to within nearly a mile of Beirut's shore and fired five-inch shells around the ridge town of Suk al Gharb, which is besieged by Syrian-backed Druse militiamen and Palestinian guerrillas. (Page A1, Col. 6.)

The defense of Suk al Gharb is vital to American interests because the fall of the Lebanese Army outpost could undermine the stability of the Lebanese Government, according to senior Administration officials. (A1:5.)

Wider operations in Central America by the United States armed forces are being planned by Deputy Defense Secretary Paul Thayer, according to Pentagon memorandums. The memos also said that Mr. Thayer planned to place a new emphasis on projecting United States military power to the Persian Gulf. (A1:4.)

U.N. members were encouraged to consider removing the organization from the United States if they believed that Washington was failing in its obligations as host country. The suggestion was made by an American delegate, Charles M. Lichenstein, in a heated exchange over the Kremlin's decision not to send Foreign Minister Andrei A. Gromyko to the opening of the General Assembly because of restrictions imposed by Washington on his flight plans. (A1:2-3.)

Improved tracking of planes on oceanic routes was urged by the head of the Air Line Pilots Association. The official, Capt. Henry Duffy, suggested to a House panel that a civil system should be developed using satellites to insure that traffic-control centers on shore know the precise positions of planes. (A9:1.)

National

Roman Catholic and Lutheran theologians are preparing to announce significant agreement on the doctrine that was at the heart of the Lutheran split with Rome. The doctrine of justification seeks to explain how sinful humanity can be considered righteous in the sight of God. The two groups have chosen to emphasize their common view that only God's grace can bring salvation. (A1:1-2.)

The MX missile was called a threat to the future of the world by a group of 14 Roman Catholic bishops who cited the American bishops' pastoral statement on war and peace. (A21:2-4.)

LEXIS NEXIS LEXIS NEXIS

© 1983 The New York Times, September 20, 1983

The purloining of campaign data in 1980 by Ronald Reagan's organization was apparently systematic, according to the chairman of a House investigating committee. The chairman, Representative Donald J. Albosta, Democrat of Michigan, said that investigators had uncovered evidence indicating "an organized effort" by the Republican campaign group to obtain materials from the Carter White House, including the National Security Council. (A18:1-2.)

The largest income tax-evasion case in American history was reported by the Justice Department. It said a Federal grand jury had indicted Marc Rich and Pincus Green, two major commodity traders, on 51 counts of tax evasion, racketeering and fraud. The two are accused of evading \$48 million in taxes. (A1:3-5.)

The biggest pure science endeavor ever has been proposed by American physicists. Their goal is to build an atom smasher whose circular tunnel would stretch anywhere from 60 to 120 miles around. The proposed machine, whose site has yet to be selected, would push protons to energies 40 times greater than those now attainable by the most powerful accelerator in the world. (C1:3-5.)

Metropolitan

Police brutality against minority groups is more pervasive than the New York City Police Department or Mayor Koch have acknowledged and their response to the problem has been inadequate, according to more than two dozen New Yorkers. Citing statistics and giving emotional personal accounts, they testified at a House hearing held in a cavernous drill hall in a Harlem armory. (A1:1.)

A landmark exhibit of Jewish objects will be displayed in New York next year as part of a nationwide tour, the Smithsonian Institution announced. The exhibit, called "The Precious Legacy," contains centuries of artistic and historical objects that were preserved by Nazi Germany to create a "museum of an extinct race." The collection is now stored in the State Jewish Museum in Prague. (A18:1-4.)

A Connecticut bridge inspector accused of forgery and altering his inspection notes after the collapse of a 100-foot section of a Connecticut Turnpike bridge in Greenwich was placed on one year's probation and ordered to perform 150 hours of community service. (B10:1.)

A Bronx murder trial jury heard testimony that Nat Masselli, a witness in the Federal investigation of Labor Secretary Raymond J. Donovan, was slain last year to prevent him and his father from cooperating with the investigation. The testimony came from a former cellmate of the accused murderer. (B3:5-6.)

Thousands remain in hospitals long after they can benefit from such costly, intensive care when they might be cared for in less expensive facilities. Countless families of chronically ill patients remain suspended in a society grappling with new abilities to prolong life and the dilemma of where to house those people who are being saved. (B1:3-5.) Page D1

TYPE: Summary

SUBJECT: Terms not available

LEVEL 1 - 28 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 19, 1983, Monday, AM cycle

SECTION: Business News

LENGTH: 774 words

HEADLINE: Trading Giant Indicted on Tax Charges

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Marc Rich & Co. A.G. and two owners of the Swiss commodities trading giant were indicted Monday on charges of evading \$48 million in taxes. Authorities said it was the largest U.S. tax case ever prosecuted.

The 51-count indictment handed up by a federal grand jury in Manhattan also charged businessmen Marc Rich and Pincus Green with "trading with the enemy" by buying \$200 million worth of oil from Iran during the Iranian hostage crisis.

The oil purchases with Iran were made after the Nov. 4, 1979, seizure of the U.S. embassy in Tehran and after the administration of President Carter declared it illegal to trade with Iran, according to the charges.

The grand jury alleged that the company dodged taxes by concealing \$100 million in illicit profit earned by sidestepping federal price controls on domestic oil.

The indictments came after an investigation by the FBI, Internal Revenue Service and Customs Service that was marked by controversy.

Marc Rich A.G. was fined \$50,000 a day starting June 29 for refusing to yield subpoenaed documents. After it agreed to turn over the papers, the company tried to ship them to Switzerland. The documents were seized by federal agents at Kennedy International Airport.

The company maintained that it had to show the papers to a lawyer in Switzerland.

Swiss police then impounded other documents U.S. prosecutors wanted, and international negotiations have been held on the dispute. The Swiss were concerned whether Swiss laws involving economic secrets were being respected.

The defendants all were charged with racketeering, punishable by up to 20 years in prison and a \$25,000 fine. They were identified as:

LEXIS NEXIS LEXIS NEXIS

The Associated Press, September 19, 1983

Rich, 49, formerly of Manhattan and Long Beach, N.Y., the chairman of the company carrying his name;

Green, 49, formerly of Brooklyn, N.Y., a director of the Swiss company and president of its U.S. affiliate;

Clyde Meltzer, 38, of New York, an executive at the company's U.S. affiliate;

Marc Rich & Co. International Ltd., the Swiss company's U.S. affiliate, which authorities assert remains connected to the parent despite its recent announcement of a change in ownership;

Marc Rich & Co. A.G., one of the world's leading oil-trading firms, based in Zug, Switzerland.

U.S. Attorney Rudolph Giuliani said the government is seeking to confiscate the stock in Marc Rich A.G. held by its affiliate, Rich and Green. He said this could amount to hundreds of millions of dollars, making it the largest seizure ever asked under federal racketeering law.

Giuliani said both Rich and Green apparently have fled the country and are living in Switzerland. The U.S. government will attempt to have them extradited, he said.

Investigators have received information that Rich is trying to renounce his U.S. citizenship and become a citizen of Spain, the prosecutor said.

The indictment charges that the Marc Rich International company took price-controlled domestic oil and passed it through a "daisy chain" of resales so that it would appear to be "uncontrolled" oil.

The U.S. subsidiary then bought the oil back and sold it at unregulated, higher prices, according to the charges.

The company added "the 'insult' of tax evasion to the 'injury' of deliberate violations of the federal oil price controls," Giuliani said.

The indictment charged that 1980 and 1981 taxes on the profits were avoided by falsely listing the income to two Texas oil resale companies, Listo Petroleum of Houston and West Texas Marketing of Abilene. The profits were diverted back to the Marc Rich parent company, which paid no federal income tax because it is Swiss, the indictment charged.

Meltzer was an executive at Listo Petroleum before working for the Marc Rich subsidiary, according to Assistant U.S. Attorney Morris Weinberg Jr.

Rich, Green and the two Marc Rich companies have previously denied the allegations while contesting the federal investigation in court. A woman who answered the telephone at Meltzer's office said "no information will be given" and hung up.

Peter Fleming, a lawyer who represented the Marc Rich company during earlier court hearings, was not available for comment at his office.

The Associated Press, September 19, 1983

The Marc Rich International company says it is no longer connected to the Swiss parent. It operates under the name Clarendon Ltd., and maintains that Green and Rich no longer are involved.

Federal prosecutors have charged this was a ploy designed to throw off the investigation.

A hearing, scheduled last month, is to be held Tuesday on whether the Marc Rich company flouted court orders during the investigation and whether the sale of its subsidiary was legitimate.

LEVEL 1 - 29 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 19, 1983, Monday, BC cycle

SECTION: Business News

LENGTH: 349 words

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Swiss commodities trading giant Marc Rich & Co. A.G. and two of its owners were indicted Monday on charges of dodging \$48 million in taxes in what authorities said was the largest U.S. tax case ever prosecuted.

A 51-count indictment also charged businessmen Marc Rich and Pincus Green with "trading with the enemy" by buying \$200 million worth of oil from Iran during the Iranian hostage crisis.

The oil purchases with Iran were made after the Nov. 4, 1979, seizure of the U.S. embassy in Tehran and after the Carter administration declared it illegal to trade with Iran, according to the charges.

A federal grand jury in Manhattan charged that the company dodged taxes by concealing \$100 million in illicit profit earned by sidestepping federal price controls on domestic oil.

The defendants all were charged with racketeering, punishable by up to 20 years in prison and a \$25,000 fine.

They were identified as:

Rich, 49, formerly of Manhattan and Long Beach, N.Y., the chairman of the company carrying his name;

Green, 49, formerly of Brooklyn, N.Y., a director of the Swiss company and president of its U.S. affiliate;

Clyde Meltzer, 38, of New York, an executive at the company's U.S. affiliate;

Marc Rich & Co. International, Ltd., the Swiss company's U.S. affiliate, which authorities assert remains connected to the parent despite its recent announcement of a change in ownership;

Marc Rich & Co., A.G., one of the world's leading oil-trading firms, based in Zug, Switzerland.

LEXIS NEXIS LEXIS NEXIS

The Associated Press, September 19, 1983

U.S. Attorney Rudolph Giuliani said the government is seeking to confiscate the stock in Marc Rich A.G. held by its affiliate, Rich and Green.

He said this could amount to hundreds of millions of dollars, making it the largest seizure ever asked under federal racketeering law.

Giuliani said both Rich and Green apparently have fled the country and are living in Switzerland. The U.S. government will attempt to have them extradited, he said.

Investigators have received information that Rich is trying to renounce his U.S. citizenship and become a citizen of Spain, the prosecutor said.

LEVEL 1 - 30 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 19, 1983, Monday, AM cycle

SECTION: Domestic News

LENGTH: 774 words

HEADLINE: Trading Giant Indicted on Tax Charges

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Marc Rich & Co. A.G. and two owners of the Swiss commodities trading giant were indicted Monday on charges of evading \$48 million in taxes. Authorities said it was the largest U.S. tax case ever prosecuted.

The 51-count indictment handed up by a federal grand jury in Manhattan also charged businessmen Marc Rich and Pincus Green with "trading with the enemy" by buying \$200 million worth of oil from Iran during the Iranian hostage crisis.

The oil purchases with Iran were made after the Nov. 4, 1979, seizure of the U.S. embassy in Tehran and after the administration of President Carter declared it illegal to trade with Iran, according to the charges.

The grand jury alleged that the company dodged taxes by concealing \$100 million in illicit profit earned by sidestepping federal price controls on domestic oil.

The indictments came after an investigation by the FBI, Internal Revenue Service and Customs Service that was marked by controversy.

Marc Rich A.G. was fined \$50,000 a day starting June 29 for refusing to yield subpoenaed documents. After it agreed to turn over the papers, the company tried to ship them to Switzerland. The documents were seized by federal agents at Kennedy International Airport.

The company maintained that it had to show the papers to a lawyer in Switzerland.

Swiss police then impounded other documents U.S. prosecutors wanted, and international negotiations have been held on the dispute. The Swiss were concerned whether Swiss laws involving economic secrets were being respected.

The defendants all were charged with racketeering, punishable by up to 20 years in prison and a \$25,000 fine. They were identified as:

The Associated Press, September 19, 1983

-Rich, 49, formerly of Manhattan and Long Beach, N.Y., the chairman of the company carrying his name;

-Green, 49, formerly of Brooklyn, N.Y., a director of the Swiss company and president of its U.S. affiliate;

-Clyde Meltzer, 38, of New York, an executive at the company's U.S. affiliate;

-Marc Rich & Co. International, Ltd., the Swiss company's U.S. affiliate, which authorities assert remains connected to the parent despite its recent announcement of a change in ownership;

-Marc Rich & Co., A.G., one of the world's leading oil-trading firms, based in Zug, Switzerland.

U.S. Attorney Rudolph Giuliani said the government is seeking to confiscate the stock in Marc Rich A.G. held by its affiliate, Rich and Green. He said this could amount to hundreds of millions of dollars, making it the largest seizure ever asked under federal racketeering law.

Giuliani said both Rich and Green apparently have fled the country and are living in Switzerland. The U.S. government will attempt to have them extradited, he said.

Investigators have received information that Rich is trying to renounce his U.S. citizenship and become a citizen of Spain, the prosecutor said.

The indictment charges that the Marc Rich International company took price-controlled domestic oil and passed it through a "daisy chain" of resales so that it would appear to be "uncontrolled" oil.

The U.S. subsidiary then bought the oil back and sold it at unregulated, higher prices, according to the charges.

The company added "the 'insult' of tax evasion to the 'injury' of deliberate violations of the federal oil price controls," Giuliani said.

The indictment charged that 1980 and 1981 taxes on the profits were avoided by falsely listing the income to two Texas oil resale companies, Listo Petroleum of Houston and West Texas Marketing of Abilene. The profits were diverted back to the Marc Rich parent company, which paid no federal income tax because it is Swiss, the indictment charged.

Meltzer was an executive at Listo Petroleum before working for the Marc Rich subsidiary, according to Assistant U.S. Attorney Morris Weinberg, Jr.

Rich, Green and the two Marc Rich companies have previously denied the allegations while contesting the federal investigation in court. A woman who answered the telephone at Meltzer's office said "no information will be given" and hung up.

Peter Fleming, a lawyer who represented the Marc Rich company during earlier court hearings, was not available for comment at his office.

LEXIS NEXIS LEXIS NEXIS

The Associated Press, September 19, 1983

The Marc Rich International company says it is no longer connected to the Swiss parent. It operates under the name Clarendon, Ltd., and maintains that Green and Rich no longer are involved.

Federal prosecutors have charged this was a ploy designed to throw off the investigation.

A hearing, scheduled last month, is to be held Tuesday on whether the Marc Rich company flouted court orders during the investigation and whether the sale of its subsidiary was legitimate.

LEVEL 1 - 31 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

September 19, 1983, Monday, BC cycle

SECTION: Domestic News

LENGTH: 349 words

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Swiss commodities trading giant Marc Rich & Co. A.G. and two of its owners were indicted Monday on charges of dodging \$48 million in taxes in what authorities said was the largest U.S. tax case ever prosecuted.

A 51-count indictment also charged businessmen Marc Rich and Pincus Green with "trading with the enemy" by buying \$200 million worth of oil from Iran during the Iranian hostage crisis.

The oil purchases with Iran were made after the Nov. 4, 1979, seizure of the U.S. embassy in Tehran and after the Carter administration declared it illegal to trade with Iran, according to the charges.

A federal grand jury in Manhattan charged that the company dodged taxes by concealing \$100 million in illicit profit earned by sidestepping federal price controls on domestic oil.

The defendants all were charged with racketeering, punishable by up to 20 years in prison and a \$25,000 fine.

They were identified as:

-Rich, 49, formerly of Manhattan and Long Beach, N.Y., the chairman of the company carrying his name;

-Green, 49, formerly of Brooklyn, N.Y., a director of the Swiss company and president of its U.S. affiliate;

-Clyde Meltzer, 38, of New York, an executive at the company's U.S. affiliate;

-Marc Rich & Co. International, Ltd., the Swiss company's U.S. affiliate, which authorities assert remains connected to the parent despite its recent announcement of a change in ownership;

-Marc Rich & Co., A.G., one of the world's leading oil-trading firms, based in Zug, Switzerland.

The Associated Press, September 19, 1983

U.S. Attorney Rudolph Giuliani said the government is seeking to confiscate the stock in Marc Rich A.G. held by its affiliate, Rich and Green.

He said this could amount to hundreds of millions of dollars, making it the largest seizure ever asked under federal racketeering law.

Giuliani said both Rich and Green apparently have fled the country and are living in Switzerland. The U.S. government will attempt to have them extradited, he said.

Investigators have received information that Rich is trying to renounce his U.S. citizenship and become a citizen of Spain, the prosecutor said.

LEVEL 1 - 32 OF 39 STORIES

Copyright © 1983 McGraw-Hill, Inc.;
Platt's Oilgram News

August 17, 1983, Wednesday

SECTION: UNITED STATES; Vol. 61, No. 159; Pg. 3

LENGTH: 351 words

HEADLINE: JUDGE SETS AUG. 22 MARC RICH HEARING, DEMANDS 'KNOWLEDGEABLE' PERSONS
APPEAR

DATELINE: New York 8/16

BODY:

U.S. District Judge Leonard D. Sand has scheduled an evidentiary hearing to begin on Aug. 22 in Manhattan Federal Court to look into several controversial matters surrounding a Grand Jury investigation of alleged tax fraud by Swiss-based Marc Rich & Co. A.G. (ON 8/9, 7/26).

The U.S. Attorney's office urged Sand to require the personal appearance of Marc Rich and Pincus Green, the principal owners of the multi-billion dollar commodities trading company. However, Sand, for the present time at least, turned that suggestion aside by saying that if at the hearing persons who are "knowledgeable" don't appear this would be a matter which the court may consider "in drawing inferences . . ."

First of all, Sand said that the court will want to know if the "purported sale of assets" of Marc Rich & Co. International, to a company called Clarendon Ltd. was a legitimate transaction as claimed by the company or if it was a "sham and a subterfuge for the sole purpose of frustrating the orders of this court." Several European stockholders of Marc Rich & Co. International are members of the new Clarendon firm. However, neither Marc Rich nor Pincus Green are members of the new company.

'Steamer Trunk Caper'

Sand said that one of the questions which he would regard as being within the scope of the hearing is "whether the court should entertain the possibility of sanctions directed to the further conduct in the United States of any business whatsoever by Marc Rich A.G. and Clarendon Ltd."

The hearing will look into what the judge called "the steamer trunk caper." This was in reference to the attempt of Clarendon to ship two steamer trunks, full of documents, to Switzerland to be reviewed there by a New York lawyer. The trunks were taken off the plane by federal agents minutes before it was to take off.

In his extended remarks late Aug. 15, Sand seemed to leave the door open to the possibility that the evidentiary hearing could be avoided when he said: "I certainly urge that between now and a week from today, that efforts to resolve this matter harmoniously will go forward."

LEVEL 1 - 33 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

August 15, 1983, Monday, AM cycle

SECTION: Domestic News

LENGTH: 561 words

HEADLINE: Judge Orders Hearings On Whether Firm Can Continue Operations

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

A federal judge ordered hearings Monday that he said will determine whether the Swiss commodity-trading giant Marc Rich & Co. A.G. or a related firm may continue their multi-billion dollar operations in the United States.

The judge said he would find out at an Aug. 22 hearing in U.S. District Court in Manhattan if the company has been truthful in explaining its failure to turn over records subpoenaed by a federal grand jury a year and a half ago.

If it has not, Judge Leonard B. Sand said, he could impose punishment "directed to the further conduct in the United States of any business whatsoever by Marc Rich A.G. or Clarendon," a related company.

The judge's decision came on the heels of a move by Swiss federal prosecutors that has turned the dispute over a tax evasion investigation into an international incident.

Last Friday night, Swiss police seized documents that the company had agreed, after 18 months of dispute, to give U.S. prosecutors. Company attorney Morton Maneker said Swiss police have begun a criminal investigation to determine if the company would violate Swiss law by disclosing economic secrets.

"The United States Department of Justice forced a Swiss entity to violate a Swiss law," said Jurg B. Leutert, first secretary of legal affairs for the Swiss government.

Leutert said the U.S. Justice Department has failed to contact the Swiss Department of Justice as required by treaties and agreements between the countries.

The U.S. Justice Department issued a statement saying, "From everything we know about them, their surrender would constitute no violation or attempted violation of Swiss law."

The Associated Press, August 15, 1983

The U.S. judge imposed a \$50,000 a day contempt of court fine for failure to release the records. It has been accumulating since June 29.

The judge said he does not have authority over Marc Rich company operations in Switzerland, but that he is concerned with the business' activities in the United States. The company is under investigation on charges that it dodged taxes on \$20 million in U.S. profits on oil deals it brokered in 1979 and 1980.

He will inquire into the sale of Marc Rich's U.S. subsidiary to a group of its own shareholders. The sale came one day after the judge imposed the \$50,000 a day fine, and federal prosecutors charged that Marc Rich was trying to get rid of its U.S. assets to avoid American authorities.

The new company formed after the sale, Clarendon A.G., has denied this.

Both Clarendon and Marc Rich A.G. said they are doing their best to comply with court orders and the subpoena.

The judge said he also wants to investigate what he called "the steamer trunk caper." This was a reference to two steamer trunks of documents seized by U.S. agents last week at Kennedy Airport shortly before they were to be sent to Switzerland.

The judge said he wanted to investigate whether the documents _ which Marc Rich and Clarendon had agreed to turn over to federal prosecutors _ were being sent to Switzerland with advanced knowledge that Swiss police would seize them.

Assistant U.S. Attorney Morris Weinberg, Jr., asked the judge to order businessmen Marc Rich and Pincus Green _ targets of the investigation who have been in Switzerland _ to appear at the hearing.

The judge would not order this, but said he would consider failure to produce important witnesses in deciding the case.

LEVEL 1 - 34 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

July 29, 1983, Friday, PM cycle

SECTION: Business News

LENGTH: 444 words

BYLINE: By PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Federal prosecutors have moved to freeze \$27.5 million in assets of Marc Rich & Co. AG, a major commodities trader fined \$50,000 a day a month ago for failing to release records to a grand jury.

The amount would secure the fine for 18 months, the maximum penalty for a civil contempt of court.

Assistant U.S. Attorney Morris Weinberg Jr. said authorities already had served restraining orders freezing about \$2 million in the company's assets at Chase Manhattan Bank; Marc Rich's U.S. unit; Guam Oil & Refining Co.; two of Marc Rich company's lawyers; Atlantic Richfield Co.; Standard Oil Co. (Ohio); and TCF Holding Inc., the parent of 20th Century-Fox Film Corp. The film company is half-owned by Marc Rich & Co. AG.

Thursday's government request would increase the amount frozen to \$27.5 million.

The dispute stems from a federal grand jury investigation in Manhattan of alleged tax evasion by the company's American subsidiary and two principals, businessmen Marc Rich and Pincus Green.

U.S. District Judge Leonard B. Sand held the company in civil contempt of court, a decision upheld on appeal, and imposed a \$50,000 a day fine effective June 29. The company is appealing the fine, but prosecutors said they might ask for it to be increased because the company has not been coerced into releasing its records.

On Thursday, the company paid \$1.35 million toward the fine, but federal prosecutors made it clear that the U.S. claim had not been satisfied. Weinberg filed a request to increase the amount of Marc Rich assets that were frozen to \$27.5 million at each company. The value of the assets included in such an order is doubled, meaning the government request would freeze up to \$55 million in Marc Rich assets at each company.

Asking that the total amount of the fine be frozen at each company was believed to be an attempt to make sure the \$27.5 million is frozen.

The Associated Press, July 29, 1983

The government request is to be argued before the judge at U.S. District Court in Manhattan on Monday.

The company defied the order to pay the fine and sold its U.S. subsidiary in an alleged attempt to avoid seizure of its assets by the federal government. In a hearing Thursday, Sand said that the "purported sale ... has all the appearance of being a ploy to frustrate" his orders.

Federal authorities also are seeking an order barring the company from transferring assets from Clarendon AG, the unit that appeared in place of its American subsidiary, Marc Rich & Co. International Ltd.

The company, did not have any comment on the case. It has maintained it is unable to release the documents because of a court order in Switzerland that holds they are confidential.

LEVEL 1 - 35 OF 39 STORIES

Copyright © 1983 The New York Times Company;
The New York Times

July 29, 1983, Friday, Late City Final Edition

SECTION: Section D; Page 1, Column 6; Financial Desk

LENGTH: 556 words

HEADLINE: \$1.3 MILLION MARC RICH FINES PAID

BYLINE: By ARNOLD H. LUBASCH

BODY:

Marc Rich & Company A.G., a major international commodities trader, paid \$1,350,000 yesterday toward a \$50,000-a-day fine that began June 29.

The continuing daily fine, paid in Federal District Court in Manhattan, was imposed by Judge Leonard B. Sand for the company's refusal to provide records that were subpoenaed for a Federal grand jury's investigation of the company for possible tax evasion.

On July 15, Judge Sand ordered the company to pay the \$1 million in fines that had accrued by July 18 and then to pay \$200,000 each Friday and \$150,000 each Monday for as long as the company failed to turn over the records.

The company, a Swiss corporation with a subsidiary based in New York, failed to pay the accumulating fine until yesterday afternoon, when its lawyers delivered a check to the cashier of the clerk's office in the Federal courthouse. The check covered the fine that had accumulated by Monday, thereby complying with the judge's payment order to date.

The continuing fine, which resulted from a ruling by Judge Sand holding the company in contempt of court, was designed to coerce the company to comply with the grand jury's subpoena. According to court papers previously filed by Morris Weinberg Jr., the Federal prosecutor in charge of the case, the grand jury was investigating allegations of an extensive tax-evasion scheme conducted by the Rich company.

Diversion of Funds Charged

Mr. Weinberg said the company's New York subsidiary, Marc Rich & Company International Ltd., had diverted millions of dollars in taxable income to the Swiss parent company in a plan to evade taxes in the United States.

The subpoena concerned crude oil transactions during 1980 and 1981. Last Friday, Mr. Weinberg told Judge Sand that the Swiss company had secretly sold the New York subsidiary to a group of the company's European shareholders in an attempt to prevent Federal authorities from seizing its assets in this country as payment of the fine. The sale of the subsidiary, to a company called Clarendon Ltd., was made on June 30, the day after the \$50,000-a-day fine began, Mr. Weinberg noted, adding that the sale was a ploy to "avoid the confiscation of assets."

© 1983 The New York Times, July 29, 1983

Judge Sand then authorized the Government to serve restraining notices on Chase Manhattan Bank and others to freeze funds of the Rich company.

At a hearing yesterday, Bruce Fader, a lawyer for the company, told Judge Sand, "We have with us today a check for \$1,350,000 payable to the clerk of the court."

Mr. Weinberg asked the judge to restrain the company from disposing of assets or advising anyone that the company's payment of the \$1,350,000 ended the restraining notices.

The court order, Mr. Weinberg added, "can only be satisfied in full by the production of the subpoenaed documents or payment of \$27,500,000, the entire amount of the fine" that would accrue during the 18-month existence of the grand jury.

Mr. Weinberg also noted that the company's "principal directors and shareholders in the United States, Marc Rich and Pincus Green, have suddenly removed themselves from the United States" by going to Switzerland. Judge Sand said he would hold another hearing Monday.

SUBJECT: FINES (PENALTIES); TAX EVASION; DISCLOSURE OF INFORMATION

GEOGRAPHIC: SWITZERLAND

END

LEVEL 1 - 36 OF 39 STORIES

The Associated Press

The materials in the AP file were compiled by The Associated Press. These materials may not be republished without the express written consent of The Associated Press.

July 28, 1983, Thursday, AM cycle

SECTION: Business News

LENGTH: 354 words

HEADLINE: U.S. Seeks to Freeze \$27.5 Million in Marc Rich Assets

BYLINE: BY PAUL MOSES, Associated Press Writer

DATELINE: NEW YORK

KEYWORD: Marc Rich

BODY:

Marc Rich & Co. A.G., a major international oil trader fined \$50,000 a day for not releasing records to a federal grand jury, paid \$1.35 million in fines Thursday after refusing to do so for almost a month.

But federal prosecutors said that the payment does not satisfy the U.S. claim against the Swiss company and they moved to freeze \$27.5 million of the company's American assets. This amount would assure payment of the \$50,000-a-day fine for 18 months, the maximum penalty for civil contempt of court.

The dispute stems from a federal grand jury probe in Manhattan of alleged tax evasion by the company's American subsidiary and two principals, businessmen Marc Rich and Pincus Green.

U.S. District Judge Leonard B. Sand held the company in civil contempt of court, a decision upheld on appeal, and imposed a \$50,000 a day fine effective June 29. The company is appealing the fine, but prosecutors said they might ask for it to be increased because the company has not been coerced into releasing its records.

The company defied the order to pay the fine and sold its U.S. subsidiary in an alleged attempt to avoid seizure of its assets by the federal government. In a hearing Thursday, Sand said that the "purported sale ... has all the appearance of being a ploy to frustrate" his orders.

But Assistant U.S. Attorney Morris Weinberg, Jr., said authorities have already served restraining orders freezing about \$2 million in the company's assets, including those it holds at Chase Manhattan Bank.

Marc Rich & Co. was ordered to appear in court Aug. 1 to argue why federal authorities should not be allowed to serve notices freezing \$27.5 million in the company's U.S. assets.

Federal authorities also are seeking an order barring the company from transferring assets from Clarendon A.G., the unit that appeared in place of

The Associated Press, July 28, 1983

its American subsidiary, Marc Rich & Co. International Ltd.

The company, a major international commodities trader, did not have any comment on the case. It has maintained it is unable to release the documents because of a court order in Switzerland that holds they are confidential.

LEVEL 1 - 37 OF 39 STORIES

Copyright © 1983 McGraw-Hill, Inc.;
Platt's Oilgram News

July 26, 1983, Tuesday

SECTION: UNITED STATES; Vol. 61, No. 143; Pg. 2

LENGTH: 228 words

HEADLINE: MARC RICH & CO. SELLS U.S. SUBSIDIARY; U.S. SERVES RESTRAINING NOTICES

DATELINE: New York 7/25

BODY:

Swiss-based Marc Rich & Co. AG has secretly sold its multibillion dollar U.S. wholly-owned subsidiary on June 30, 1983, the day after a Federal judge had fined the closely held parent company \$50,000/d for civil contempt, it was disclosed at a hearing in U.S. District Court here late July 22.

The name of the company which was sold was Marc Rich & Co. International. The newly formed company is Clarendon Ltd. according to the U.S. Attorney's office, Clarendon is headed by the primary partners that own AG with the exclusion of Marc Rich and Pincus Green. The third partner in command of AG, Alex Hackle, is said to be an investor in Clarendon.

On July 18th Marc Rich & Co. AG was ordered by U.S. District Judge Leonard B. Sand to pay an accumulated fine of \$1-million. They didn't pay. A judgement of \$1-million was entered against them (ON 7/21).

As a result of the latest hearing, the U.S. Attorney's office has served restraining notices on Chase Manhattan Bank; two of Marc Rich's lawyers in New York; and on Guam Oil & Refining Co. The notices direct each to freeze as much as \$2-million that they owe Marc Rich.

The fines were levied against the company by Judge Sand for failure to turn over to the grand jury certain records allegedly necessary to an investigation of Marc Rich & Co. AG's crude oil trading operations and other commodity trading.

LEVEL 1 - 38 OF 39 STORIES

Copyright © 1983 The New York Times Company;
The New York Times

July 16, 1983, Saturday, Late City Final Edition

SECTION: Section 1; Page 31, Column 1; Financial Desk

LENGTH: 422 words

HEADLINE: Marc Rich Ordered to Pay \$1 Million

BYLINE: By ARNOLD H. LUBASCH

BODY:

A Federal judge yesterday ordered Marc Rich & Company, a Swiss company that is one of the world's biggest commodities traders, to pay \$1 million on Monday for refusing to turn over records subpoenaed earlier by a grand jury in Manhattan.

The order was issued in Federal District Court by Judge Leonard B. Sand, who had imposed a fine of \$50,000 a day on the company on June 29 for failure to turn over its records for a tax-evasion investigation.

Judge Sand, who held the company in contempt of court and imposed the daily fine to compel compliance with the subpoena, noted in yesterday's order that the company had thus far refused to pay the accrued fine. The \$1 million represents the amount due on Monday under his earlier \$50,000-a-day order, he said.

Failure to turn over the records would result in an additional \$200,000 in fines coming due by next Friday, \$150,000 on each succeeding Monday and \$200,000 on each succeeding Friday, he said.

U.S. Could Seize Assets

If the company fails to pay the fine, Federal authorities could seek to seize the company's American assets. It is not known how extensive those assets might be, but analysts said they likely amount to little since the company's American arm is an order-taking and trading operation.

The company, which has maintained that Swiss law does not require it to turn over business records, is appealing the judge's refusal to vacate his contempt order. But it has already lost an appeal of his refusal to quash the subpoena.

Morris Weinberg Jr., the Assistant United States Attorney in charge of the case, said in court papers that a Federal grand jury in Manhattan was investigating "a massive tax-fraud scheme" involving the Swiss company and its wholly owned New York-based subsidiary, Marc Rich & Company International.

Mr. Weinberg said in the court papers that a Federal Bureau of Investigation affidavit had "documented an elaborate tax-evasion scheme" in which the New York subsidiary had "diverted in 1980 alone a minimum of \$20 million in taxable income" to the Swiss parent company.

The parent, based in Zug, Switzerland, trades an estimated \$10 billion a year in oil, tin and other commodities. It was set up in 1974 by Marc Rich and

LEXIS NEXIS LEXIS NEXIS

© 1983 The New York Times, July 16, 1983

Pincus Green, both wellknown American commodities traders who worked for the Phibro Corporation, now known as Phibro/Salomon Inc.

SUBJECT: TAXATION; TAX EVASION; DISCLOSURE OF INFORMATION; FINES (PENALTIES)

LEVEL 1 - 39 OF 39 STORIES

Copyright © 1981 The New York Times Company;
The New York Times

July 29, 1981, Wednesday, Late City Final Edition

SECTION: Section D; Page 1, Column 6; Financial Desk

LENGTH: 833 words

HEADLINE: PARTNER IN FOX DEAL IDENTIFIED

BYLINE: Special to the New York Times

DATELINE: LOS ANGELES, July 28

BODY:

A Netherlands Antilles company headed by Marc Rich, an oil trader and financier, and two others was identified yesterday as the silent partner of Marvin Davis, the Denver oil millionaire, in his recent \$722 million purchase of the 20th Century-Fox Film Corporation.

The minutes from a May 11 Fox director's meeting, made public today, indicate that Mr. Davis's heretofore unnamed partner in the Fox purchase of Fox is Richco, a corporation based in the Netherlands Antilles. Richco was identified as a subsidiary of a Netherlands corporation "which is one of the largest international trading organizations in the world." Principals of the parent firm are Marc Rich, Pincus Green and Alex Hackel.

Mr. Rich, 47 years old, is an alumnus of the Philipp Brothers Corporation, a huge American trading company that markets more than 150 different commodities and last year posted revenues of \$23.7 billion.

Following an internal dispute, Mr. Rich left Philipp Brothers to set up his own firm, Marc Rich & Company, in New York in 1974. Mr. Greene, too, is a former Philipp Brothers trader, and he departed with Mr. Rich.

Mr. Rich started the spot oil trading unit at Philipp Brothers. He reportedly left Philipp Brothers because of a salary dispute. After the 1973 Arab oil embargo, prices jumped and trading accelerated in the spot oil market -where oil not under long-term contract is bought and sold. Thus, under the Philipp Brothers incentive program, Mr. Rich would have received a salary of more than \$1 million in 1973. Philipp Brothers refused to pay one man so much more than its other traders, and Mr. Rich resigned, taking a few top-notch traders with him.

Today, Mr. Rich's firm trades several commodities, but its principal business is oil trading. Presumably, Mr. Rich knows Mr. Davis because both are in the oil business.

A Long Association

Mr. Davis has had a long association with Mr. Rich, who has been his partner in several oil-related ventures. Described as very private and "almost invisible," Marc Rich & Company was cited two years ago by a national weekly publication as one of the firms that stood to profit in the oil spot market as

© 1981 The New York Times, July 29, 1981

a result of the Iranian revolution.

At the time of the Fox purchase, Mr. Davis had declined to name his partner in the \$722 million deal. It was assumed that he would be using some of the cash he had gained from the sale in January of an oil and gas venture valued at about \$600 million.

Mr. Davis, who gives no interviews and keeps his transactions private, had declined to say how he intended to raise the money for Fox, except to say that he would have partners. Even after Fox was acquired last month, the partner remained anonymous.

Equal Ownership

In a June 22 filing with the Securities and Exchange Commission, however, Mr. Davis did say that he and his unidentified partner owned equal shares in Fox. His shares are voting shares. His partner's are nonvoting shares. He also reported that to purchase Fox, he and his partner jointly invested \$172 million. The filing also said that together, the Davis Oil Company and his partner were guarantors of bank financing totaling \$550 million of the \$722 million.

The disclosure of Mr. Davis' partner, however, sheds no light on the direction of Fox under its unpredictable new owner. Mr. Davis twice backed out of a deal to buy the Oakland A's baseball team, changed his mind about a \$75 million deal to buy The Denver Post and walked out on the Fox acquisition before reconsidering. He has been turning the company upside down since he became its owner on June 12.

Changes at Fox

He immediately spun off the television operations. He merged Fox film into TCF Acquisition Inc., a unit of TCF Holdings Inc, which is owned by Mr. Davis and a trust for his five children.

He made a precedent-setting deal with Home Box Office that will give HBO exclusive rights to first showings of Fox films to its 8 million subscribers. He plans to develop the property where Fox now has its studios on 63 acres. And yesterday, Fox announced that it would move its film and television production facilities to a new location some time in the next two years.

Fox's management has received its share of surprises too. Dennis C. Stanfill, whom some insiders considered to be a favorite of Mr. Davis, lasted less than three weeks before resigning. The 54-year-old executive, who maintained that his contract had been "materially breached," walked away with a healthy cash settlement, together with the \$8.5 million he received when he cashed in his options at the time of the Davis purchase. Last week, Mr. Davis named Alan J. Hirschfield, who had been publicly feuding with Mr. Stanfill, to replace Mr. Stanfill as chairman.

SUBJECT: MOTION PICTURES; MERGERS, ACQUISITIONS AND DIVESTITURES

FD-36 (Rev. 5-22-78) b6
b7C

~~SECRET~~
FBI

10.91

TELETYPE

PRIORITY

UNCLAS EFTO

2/2/85

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI ()

ATTN: SUPV. [redacted]

NEW HAVEN ()

ATTN: SA [redacted]

BT

UNCLAS EFTO

00567
FINANCIAL CRIMES UNIT, DIVISION 6

b6
b7C

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

RENYTEL TO THE BUREAU, DATED JANUARY 11, 1985.

FOR INFORMATION OF THE BUREAU AND WASHINGTON FIELD. ON
JANUARY 31, 1985, A VERY RELIABLE AND SENSITIVE [redacted] SOURCE
PROVIDED THE FOLLOWING INFORMATION REGARDING [redacted]

b7D
b7E

2-23-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C D)
DECLASSIFY ON: X 1 6

1 - New York
1 - Supervisor C-1
WMM:jc013V2
(2)

[redacted]

64
RVR

b6
b7C

196A-1774-359

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 4 1985	
FBI - NEW YORK	

Approved: [signature] Transmitted 105 Per [signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [redacted] ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

SOURCE'S

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

Receiving Offices
BUREAU AND WASHINGTON-FIELD WILL BE KEPT APPRAISED OF
DEVELOPMENTS.

~~SECRET~~

~~SECRET~~

ADMINISTRATIVE

b7D
b7F

[] SOURCE IS [] (S) (U)

SOURCE'S IDENTITY MUST BE PROTECTED, AS SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS DISCLOSED. INFORMATION FROM SOURCE IS SINGULAR IN NATURE AND SHOULD BE HANDLED WITH CAUTION.

REQUEST OF THE BUREAU

THE BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS, BONN AND BERN FOR INFORMATION.

~~SECRET~~

b6
b7C

~~SECRET~~

OUTBOX.5 (#2107)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/105

DATE: 3 FEB 85 00:56:07 EST

CC:

TEXT: VZCZCNY0105

PP HQ NH

DE NY #0105 0332448

ZNR EEEEE

R 022201Z FEB 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FINANCIAL CRIMES UNIT, DIVISION 6

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

b6
b7C

BT

UNCLAS E F T O

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK

RENYTEL TO THE BUREAU, DATED JANUARY 11, 1985.

FOR INFORMATION OF THE BUREAU AND WASHINGTON FIELD, ON
JANUARY 31, 1985, A VERY RELIABLE AND SENSITIVE [REDACTED] SOURCE
PROVIDED THE FOLLOWING INFORMATION REGARDING [REDACTED]

b7D
b7E

196-1774-359

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X 1

b6
b7C

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 4 1985	
FBI-NEW YORK	

~~SECRET~~

~~SECRET~~

SOURCE'S

[Redacted]

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0105 UNCLAS E F T O

Receiving Office
BUREAU AND WASHINGTON-FIELD WILL BE KEPT APPRAISED OF
DEVELOPMENTS.

ADMINISTRATIVE

[] SOURCE IS []

~~(S)~~ (U)

b7D
b7F

SOURCE'S IDENTITY MUST BE PROTECTED, AS SOURCE AND FAMILY WILL
BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS DISCLOSED.
INFORMATION FROM SOURCE IS SINGULAR IN NATURE AND SHOULD BE HANDLED
WITH CAUTION.

REQUEST OF THE BUREAU

THE BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS
TELETYPE TO LEGATS, BONN AND BERN FOR INFORMATION.

BT

#0105

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

SECRET

b6
b7C

INBOX.7 (#615)

TO: NY @ SAMNET-EMH, WF @ SAMNET-EMH

FROM: HQTX @ SAMNET-EMH

SUBJECT: 077/ROUTINE

DATE: 18 JAN 85 00:50:40 EST

CC:

TEXT: VZCZCH0007
RR NY NH WF
DE HQ #0077 0171805
ZNR UUUUU
R 171622Z JAN 85

FM DIRECTOR, FBI

TO FBI NEW YORK (196A-1774)(C-1) ROUTINE

b6
b7C

FBI NEW HAVEN (ATTN: SA [REDACTED]) ROUTINE

FBI WASHINGTON FIELD OFFICE (ATTN: SA [REDACTED]) ROUTINE

BT

UNCLAS

MARC RICH-FUGITIVE;

PINCUS GREENE-FUGITIVE;

ET AL;

FBW; MAIL FRAUD; ET AL

OO: NY

2-23-01 [REDACTED]
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6

b6
b7C

RE NEW YORK TELETYPE TO DIRECTOR DATED 1/11/85.

FOR INFORMATION OF RECEIVING OFFICES, FBIHQ GENERAL INDICES

WERE SEARCHED WITH NEGATIVE RESULTS REGARDING [REDACTED]

b6
b7C

[REDACTED] (S) (U)

IN BUREAU FILE 185-875, CAPTIONED 'UNSUBS; MEMBERS OF THE

NATIONAL SOCIALIST CONGRESS, AKA ET AL; PFO-CRIMINAL; EIO; CR;

[REDACTED]

b6
b7C

196A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 17 1985	
NEW YORK	

[REDACTED]

SECRET

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

RICO; OO: CLEVELAND, PHILLIP KLUTZNICK WAS ONE OF 12 VICTIMS NAMED AS TARGETS OF A BOMBING PLOT. AFTER EXTENSIVE INVESTIGATION SUBSTANTIATION OF THE THREATS TO KILL THE VICTIMS WAS NOT DISCOVERED AND CLEVELAND CLOSED THEIR INVESTIGATION ON 7/5/77.

BUREAU FILE 77-8236, CAPTIONED PHILIP M. KLUTZNICK; SPI; BEGINS WITH BACKGROUND CHECKS ON KLUTZNICK FOR A POSITION AS ATTORNEY, DEPARTMENT OF JUSTICE IN 1935 AND CONCLUDES WITH UPDATING OF BACKGROUND IN 1957 WHEN KLUTZNICK WAS BEING CONSIDERED FOR A PRESIDENTIAL APPOINTMENT WITH THE STATE DEPARTMENT. AN ADDITIONAL COMMUNICATION [REDACTED]

[REDACTED] THIS INFORMATION WAS REPORTED TO THE CHICAGO OFFICE BY [REDACTED] NO (S) INFORMATION CONTAINED IN THE COMMUNICATION INDICATED ANYTHING OTHER THAN [REDACTED] (S) (U)

b7D
b3
b7E

BUFILE 161-55 CAPTIONED PHILLIP KLUTZNICK; SPI; BEGAN IN 12/60 TO COMPLETE BACKGROUND CHECKS FOR UNKNOWN POSITION IN KENNEDY ADMINISTRATION. THIS FILE ALSO CONTAINS THE BACKGROUND INVESTIGATION OF PHILIP MORRIS KLUTZNICK WHICH CONCLUDED IN 12/79 AND WAS CONDUCTED PRIOR TO HIS BEING CONFIRMED ON 12/21/79 (S) (U)

~~SECRET~~

PAGE THREE DE HQ 0077 UNCLAS.

AS SECRETARY OF COMMERCE.

~~SECRET~~

THE FOLLOWING BACKGROUND IS PROVIDED FOR INFORMATION.

PHILIP MORRIS KLUTZNICK WAS BORN 7/19/07, ISAS CITY,
MISSOURI. KLUTZNICK, SINCE 1960, HAS BEEN A SELF-EMPLOYED
REAL ESTATE DEVELOPER AND AMBASSADOR TO THE UNITED NATIONS
(1961-62, 1966). LAST KNOWN ADDRESS (1979) WAS 180 EAST PEARSON,
APT. 7204, CHICAGO, ILLINOIS, WHERE HE RESIDED WITH EDITH
(RIEKES) KLUTZNICK. (~~S~~), (U)

BT

#0077

NNNN

~~SECRET~~

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JAN 17 1985	
FBI - NEW YORK	

b6
b7C

SECRET

TO: NY 9 3AMMET-EMH, THE 9 3AMMET-EMH

FROM: NY 9 3AMMET-EMH

SUBJECT: 077 ROUTINE

DATE: 15 JAN 85 00:50:40 EST

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

TO: NY 9 3AMMET-EMH, THE 9 3AMMET-EMH

b6
b7C

FROM: NY 9 3AMMET-EMH

SUBJECT: 077 ROUTINE

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

NY 9 3AMMET-EMH

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 15 (C, S)
DECLASSIFY ON: X 1, 6

b6
b7C

RE: NEW YORK TELETYPE TO DIRECTOR DATED 1/11/85.

FOR INFORMATION OF RECEIVING OFFICES, FBIHQ GENERAL INDICES

WERE SEARCHED WITH NEGATIVE RESULTS REGARDING [REDACTED]

b6
b7C

IN BUREAU FILE 195-875, CAPTIONED, WINSOBS; MEMBERS OF THE

NATIONAL SOCIALIST CONGRESS, AKA ET AL; PFO-CRIMINAL; EEO; CR;

196-1774-360

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 17 1985	
FBI - NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

SECRET

SECRET

THE FOLLOWING BACKGROUND IS PROVIDED FOR INFORMATION.

PHILIP MORRIS KLUTZNICK WAS BORN 7 19 07 1946 IN NY.

SEYMOUR KLUTZNICK, SINCE 1960, HAS BEEN A SELF-EMPLOYED

REAL ESTATE DEVELOPER AND AMBASSADOR TO THE UNITED NATIONS

911-62, 956, LAST KNOWN ADDRESS (1979) WAS 120 EAST PEARSON,

W. 7201, CHICAGO, ILLINOIS, WHERE HE RESIDED WITH EDITH

RIKES KLUTZNICK. (S) (U)

BT

0007

NNNN

SECRET

~~SECRET~~

PHILIP MORRIS KLUZINICK WAS ONE OF THE THREATS
NAMED AS TARGETS OF A PENDING PLOT. AFTER LATE 1970 THREAT
WITH SUBSTANTIATION OF THE THREATS TO KILL THE VICTIMS WAS
DISCOVERED AND CLEVELAND CLOSED THEIR INVESTIGATION ON THE
BUREAU FILE 77-2236. CAPTIONED PHILIP M. KLUZINICK: SPI;
BEGINS WITH BACKGROUND CHECKS ON KLUZINICK FOR A POSITION AS
ATTORNEY, DEPARTMENT OF JUSTICE IN 1935 AND CONCLUDES WITH UP-
DATES OF BACKGROUND IN 1957 WHEN KLUZINICK WAS BEING CONSIDERED
FOR A PRESIDENTIAL APPOINTMENT WITH THE STATE DEPARTMENT. AN
ADDITIONAL COMMUNICATION [REDACTED]

b7D
b3
b7E

[REDACTED] THIS INFORMATION WAS REPORTED TO
THE CHICAGO OFFICE BY [REDACTED] (S) (U)
INFORMATION CONTAINED IN THE COMMUNICATION INDICATED ANYTHING
OTHER THAN [REDACTED] (S) (U)

BUREAU FILE 161-55 CAPTIONED PHILIP KLUZINICK: SPI; BEGAN IN
1960 TO COMPLETE BACKGROUND CHECKS FOR UNKNOWN POSITION IN
KENNEDY ADMINISTRATION. THIS FILE ALSO CONTAINS THE BACKGROUND
INVESTIGATION OF PHILIP MORRIS KLUZINICK WHICH CONCLUDED IN
12-78 AND WAS CONDUCTED PRIOR TO HIS BEING CONFIRMED ON 12-21-79 (S) (U)

1967-4774-361

~~SECRET~~

INBOX:2- (#1875)

TO: HQ2 @ SAMNET-EMH, NY @ SAMNET-EMH

FROM: WFO @ SAMNET-EMH

SUBJECT: 031 PRIORITY

DATE: 1 FEB 85 00:42:04 EST

CC:

TEXT: VZCZCWF031

PP HQ NY NH

DE WF031 0310042

ZNY EEEEE

P 310042Z JAN 85FM: WASHINGTON FIELD OFFICE (196A-1563) (P) (CI-6)

TO: DIRECTOR, FBI (196-2848) PRIORITY

ATTENTION: SUPERVISOR [REDACTED] DIVISION 6

b6
b7C

ADIC NEW YORK (196A-1774) (C-1) PRIORITY

FBI, NEW HAVEN PRIORITY

ATTENTION: SA [REDACTED]

b6
b7C

BT

U N C L A S S E F T O

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL

FRAUD RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY;

(OO:NEW YORK)

RE NEW YORK TEL TO THE BUREAU DATED 1/11/85.

ON 1/30/85, SA [REDACTED] DETERMINED THE FOLLOWING

b6
b7C

PASSPORT INFORMATION: (I) MARC RICHARD, BORN 12/18/34, BELGIUM,

HAS HAD THE FOLLOWING PASSPORTS: TOURIST PASSPORT 0071028

ISSUED 1/11/83 AT NEW YORK, VALID FOR TRAVEL TO SOUTH AFRICA AND

ISRAEL ONLY. PASSPORT EXPIRES 1/10/93; TOURIST PASSPORT

Z3045402, ISSUED 3/2/82 AT LISBON, PORTUGAL, PASSPORT EXPIRES



b6
b7C

196A-1774-361

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 1 1985	
DRK	

[REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED]

PAGE TWO DE WF #0031 U N C L A S

3/2/87; TOURIST PASSPORT A2663963 ISSUED 9/19/80 AT NEW YORK,
PASSPORT REPORTED LOST ON 3/3/82; TOURIST PASSPORT Z3617833
ISSUED 4/16/80 AT MADRID, SPAIN, PASSPORT EXPIRES 4/15/85;
TOURIST PASSPORT Z1978001 ISSUED 6/10/75 AT LONDON, ENGLAND,
PASSPORT CANCELED 4/16/80. (II) PINCUS GREEN, BORN [REDACTED]

[REDACTED] NEW YORK, HAS OR HAS HAD THE FOLLOWING PASSPORTS:

TOURIST PASSPORT [REDACTED] ISSUED [REDACTED]
PASSPORT EXPIRES [REDACTED] TOURIST PASSPORT [REDACTED] ISSUED
[REDACTED] VALID FOR TRAVEL TO ISRAEL AND SOUTH AFRICA
ONLY, PASSPORT EXPIRES [REDACTED] TOURIST PASSPORT [REDACTED] ISSUED
[REDACTED] PASSPORT EXPIRES [REDACTED] TOURIST PASS-
PORT [REDACTED] ISSUED [REDACTED] PASSPORT
REPORTED LOST ON [REDACTED] TOURIST PASSPORT [REDACTED]
ISSUED [REDACTED] CANCELED ON [REDACTED]

b6
b7C

IT IS TO BE NOTED THAT PASSPORT SERVICES, DEPARTMENT OF
STATE IS DELINQUENT IN THE FILING OF PASSPORT APPLICATIONS
FOR NEWLY ISSUED PASSPORTS, AND IT IS POSSIBLE THAT ADDITIONAL
PASSPORTS HAVE BEEN ISSUED TO THE ABOVE. ALSO OF NOTE IS THE
FACT THAT ALL OFFICIAL AND DIPLOMATIC PASSPORTS ARE ISSUED
AT WASHINGTON, D.C. AND SA [REDACTED] WAS UNABLE TO LOCATE ANY
OFFICIAL OR DIPLOMATIC PASSPORTS AS BEING ISSUED TO EITHER

b6
b7C

PAGE THREE DE WF #0031 U N C L A S

SUBJECT THROUGH ESTABLISHED CONTACTS. ALL OFFICIAL AND DIPLOMATIC
PASSPORTS MUST HAVE AN OFFICIAL LETTER FROM AN APPROPRIATE
GOVERNMENT AGENCY BEFORE A PASSPORT IS ISSUED. WFO DETERMINED
THAT SOME OF THE ORIGINAL PASSPORT APPLICATIONS FOR SUBJECTS
ARE BEING MAINTAINED BY THE PASSPORT SERVICES, LEGAL DIVISION.
WFO WILL FURNISH MICROFILMED COPIES OF THE ABOVE NEW YORK UNDER
SEPARATE COVER.

BT

#0031

NNNN

INBOX.2 (#1875)

TO: HQ2 @ SAMNET-EMH, NY @ SAMNET-EMH

FROM: WFO @ SAMNET-EMH

SUBJECT: 031 PRIORITY

DATE: 1 FEB 85 00:42:04 EST

CC:

TEXT: VZCZCWF031

PP HQ NY NH

DE WFO31 0310042

ZNY EEEEE

P 310042Z JAN 85FM: WASHINGTON FIELD OFFICE (196A-1563) (P) (CI-6)

TO: DIRECTOR, FBI (196-2848) PRIORITY

ATTENTION: SUPERVISOR [REDACTED] DIVISION 6

b6
b7C

ADIC NEW YORK (196A-1774) (C-1) PRIORITY

FBI, NEW HAVEN PRIORITY

ATTENTION: SA [REDACTED]

b6
b7C

BT

U N C L A S - E F T O

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL

FRAUD RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY;

(OO:NEW YORK)

RE NEW YORK TEL TO THE BUREAU DATED 1/11/85.

ON 1/30/85, SA [REDACTED] DETERMINED THE FOLLOWING

b6
b7C

PASSPORT INFORMATION: (I) MARC RICHARD, BORN 12/18/34, BELGIUM,

HAS HAD THE FOLLOWING PASSPORTS: TOURIST PASSPORT D071028

ISSUED 1/11/83 AT NEW YORK, VALID FOR TRAVEL TO SOUTH AFRICA AND

ISRAEL ONLY. PASSPORT EXPIRES 1/10/93; TOURIST PASSPORT

Z3045402, ISSUED 3/2/82 AT LISBON, PORTUGAL, PASSPORT EXPIRES

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 [REDACTED]

b6
b7C

196-1774-361

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 1 1985	
FBI-NEW YORK	

[Signature]

AIRTEL

Date 2/4/85

TO: DIRECTOR, FBI (196-2848)
(ATTN: SUPERVISOR [REDACTED])
FROM: SAC, WASHINGTON FIELD (196A-1563) (RUC)

b6
b7C

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL:
FBW: MAIL FRAUD: RICO:
INCOME TAX EVASION:
TRADING WITH THE ENEMY:
OO:NY

Re WFO tel to the Bureau dated 1/31/85.

Enclosed for New York are the following:

(1) One microfilmed copy of passport record D071028,
issued 1/11/83 in the name of MARC RICH, born 12/18/34.

(2) One microfilmed copy of passport record Z3045402
issued 3/3/82 in the name of MARC RICH, born 12/18/34.

(3) One microfilmed copy of passport record A2663963
issued 9/19/80 in the name of MARC RICH, born 12/18/34.

(4) One microfilmed copy of passport record Z3617833
issued 4/16/80 in the name of MARC RICH, born 12/18/34.

(5) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

(6) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

(7) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

b6
b7C

2 - Bureau
2 - New York (196A-1774) (C-1) (enc. 9)
1 - WFO
JAT/jat
(5)

*pg 2 - let's
get that done if not
done already*

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED]

b6
b7C

196A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 03 1985	
J	
RUC	

(8) One microfilmed copy of passport record [redacted]
issued [redacted] in the name of PINCUS GREEN. born [redacted]

b6
b7C

(9) One copy of GUIDELINE REGARDING PASSPORT
DENIAL/REVOCATION.

New York can be following the enclosed Guideline have subjects included into the WORLD WIDE LOOKOUT SYSTEM. of Passport Services which will deny the issuance of any new passports and provide an avenue to revoke subjects' current passports.

In that no leads remain WFO is RUC'ing this matter.

AIRTEL

Date 2/4/85

TO: DIRECTOR, FBI (196-2848)
(ATTN: SUPERVISOR [REDACTED])
FROM: SAC, WASHINGTON FIELD (196A-1563) (RUC)

b6
b7C

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
FBW: MAIL FRAUD; RICO;
INCOME TAX EVASION;
TRADING WITH THE ENEMY;
OO:NY

Re WFO tel to the Bureau dated 1/31/85.

Enclosed for New York are the following:

(1) One microfilmed copy of passport record D071028,
issued 1/11/83 in the name of MARC RICH, born 12/18/34.

(2) One microfilmed copy of passport record Z3045402
issued 3/3/82 in the name of MARC RICH, born 12/18/34.

(3) One microfilmed copy of passport record A2663963
issued 9/19/80 in the name of MARC RICH, born 12/18/34.

(4) One microfilmed copy of passport record Z3617833
issued 4/16/80 in the name of MARC RICH, born 12/18/34.

(5) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

(6) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

(7) One microfilmed copy of passport record [REDACTED]
issued [REDACTED] in the name of PINCUS GREEN, born [REDACTED]

b6
b7C

2 - Bureau
② - New York (196A-1774) (C-1) (enc. 9)
1 - WFO
JAT/jat
(5)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED]

b6
b7C

196-1774-362

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 03 1985	
FBI-NEW YORK	

GUIDELINE REGARDING PASSPORT DENIAL/REVOCATION

The question of revocation or denial of a passport is governed by the provisions of Section 51.71 (a), Title 22, code of Federal Regulations based upon the provisions of Section 51.70 (a) (1) of subject regulations. Passport Services, Department of State, has advised that a request for denial or revocation of a passport should be implemented in the following manner:

The United States Attorney (USA) initiating the request should address a letter to Mr. [REDACTED] for Passport Services, Department of State, Attention: PPT/C, Washington, D.C. 20520, incorporating the following data:

b6
b7C

- (1) Name, date and place of birth and passport data concerning subject.
- (2) Brief statement of the felony charge pending against him and prosecutive action taken in the matter.
- (3) Information as to his present location abroad, if known, including exact address.
- (4) Statement by the USA that prosecution of subject will be undertaken if and when he returns to the United States.
- (5) Request by the USA that a passport be denied to the subject or, if the subject currently holds a valid passport, that it be revoked.
- (6) Enclose a copy of the warrant. Revocation or denial of a passport cannot be initiated until a copy of the warrant is received.
- (7) Name and phone number of AUSA handling the case.

If Passport Services is in possession of an unissued passport application and awaiting receipt of a warrant on which to base its denial, the warrant must be received within 15 days or the passport will be issued. To forestall issuance longer than 15 days would violate the applicant's rights of administrative and substantive due process.

Upon receipt of the foregoing, Passport Services will instruct the appropriate U.S. Embassy or Consulate concerning the revocation or denial of subject's passport. The Code of Federal Regulations (22 CFR 51.81-51.89) provides for a hearing for a person who is adversely affected by any action taken under this procedure. The decision of the hearing officer abroad is submitted to the Assistant Secretary for Consular Affairs, Department of State, for approval, and can then be appealed to the Board of Appellate Review, Department of State, and eventually to a U.S. District Court.

TO: DIRECTOR, FBI

FROM: ADIC, NEW YORK
SUBJECT: MARC RICH - FUGITIVE
PINCUS GREEN -
FUGITIVE, b6
Et Al b7C
RICO; MF; FBW; TAX
EVASION; TRADING
WITH THE ENEMY
OO: NEW YORK

b6
b7C

b7E

96B-2848

Bureau File Number

196A-1774

Field Office File Number

C-1

Sound or RA Number

ADMINISTRATIVE

Investigative Assistance or Technique Used

Were any of the investigative assistance techniques listed below used in connection with accomplishment being claimed? ☐ No ☒ Yes - If Yes, rate each used as follows

b7E

1 = Used, but did not help
2 = Helped, but only minimally
3 = Helped, substantially
4 = Absolutely essential

16. Show Money	Rating
Usage	

1. Acctg Tech Assistance	Rating	6. ELSUR - Title III	Rating	11. Lab Div. Field Support	Rating	17. Surveil. Sod Asst
2. Aircraft Assistance		7. Hypnosis Assistance		12. Pen Registers		18. SWAT Team, Action
3. Computer Assistance		8. Ident Div Assistance		13. Photographic Coverage		19. Telephone Toll Records
4. Consensual Monitoring		9. Informant Information		14. Polygraph Assistance		20. Undercover Operation
5. ELSUR - FISC		10. Lab Div Exams		15. Search Warrant Executed		21. Visual Invest. Analysis (VIA)

A. Preliminary Judicial Process (Number of subjects)				Complaints				Informations				Indictments				D. Recoveries, Restitutions, Court Ordered Forfeitures or Potential Economic Loss Prevented (PELP)															
B. Arrests, Locates, Summonses & Subpoenas (No. of subjects)				Subject Priority (See Reverse)				Property or PELP Type Code				Recoveries				Restitutions				Court Ordered Forfeitures				Potential Economic Loss Prevented							
																												A			
				FBI Arrests																											
				FBI Locates																											
				Number of Subjects of FBI Arrests Who Physically Resisted _____																											
Number of Subjects of FBI Arrests Who Were Armed _____																															
Criminal Summons _____				Subpoenas Served _____																											
C. Release of Hostages or Children Located: (Number of Hostages or Children Located)																E. Civil Matters															
Hostages Held By Terrorists _____; All Other Hostage Situations _____																Amount of Suit															
Missing or Kidnapped Children Located _____																Settlement or Award															
																Government Defendant								Government Plaintiff							
																\$								\$							
																\$								\$							
																Enter AFA Payment Here															

F. Final Judicial Process:		Judicial District	<u>SD</u>	<u>NY</u>	b6	Dates	<u>10/11/84</u>	<u>12/17/84</u>
		District		State	b7C	Convictions (or Final Judicial Process) Date		Sentence Date
Subject 1 - Name:		<div style="border: 1px solid black; height: 20px; width: 100%;"></div>			b7E	Subject's Description Code*: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		

<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	<input checked="" type="checkbox"/> Conviction- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced.	<input checked="" type="checkbox"/> Felony <input type="checkbox"/> Misd- <input checked="" type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction <table border="1"> <tr> <th>Title</th> <th>Section</th> <th>Counts</th> </tr> <tr> <td>26</td> <td>7206</td> <td>3</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>			Title	Section	Counts	26	7206	3										Combined Sentence <table border="1"> <tr> <th colspan="2">In-Jail Term</th> <th colspan="2">Suspended</th> <th colspan="2">Probation</th> <th rowspan="2">Total Fines</th> </tr> <tr> <th>Yrs</th> <th>Mos</th> <th>Yrs</th> <th>Mos</th> <th>Yrs</th> <th>Mos</th> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td>5</td> <td> </td> <td>\$</td> </tr> </table>						In-Jail Term		Suspended		Probation		Total Fines	Yrs	Mos	Yrs	Mos	Yrs	Mos					5		\$
	Title	Section	Counts																																											
	26	7206	3																																											
In-Jail Term		Suspended		Probation		Total Fines																																								
Yrs	Mos	Yrs	Mos	Yrs	Mos																																									
				5		\$																																								
Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Atty Gen, but 8 years are suspended, the in-Jail term would be 2 years.																																														

Subject 2 - Name *		Subject's Description Code *											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	-Convictions- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced.	<input type="checkbox"/> Felony <input type="checkbox"/> Misd- <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			Combined Sentence							
			Title	Section	Counts	In-Jail Term		Suspended		Probation		Total Fines *	
						Yrs	Mos	Yrs	Mos	Yrs	Mos		
													\$
			Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Atty Gen, but 8 years are suspended, the In-Jail term would be 2 years.										

Subject 3 - Name -		Subject's Description Code -											
<input type="checkbox"/> Pretrial <input type="checkbox"/> Diversion <input type="checkbox"/> Dismissal <input type="checkbox"/> Acquittal	-Convictions- Enter conviction and sentence data in space at right. If more than four sections are involved, limit to the four most relevant. Do not report conviction until sentence has been pronounced.	<input type="checkbox"/> Felony <input type="checkbox"/> Misd- <input type="checkbox"/> Plea <input type="checkbox"/> Trial	Conviction			Combined Sentence							
			Title	Section	Counts	In-Jail Term		Suspended		Probation		Total Fines	
						Yrs	Mos	Yrs	Mos	Yrs	Mos		
													\$
Consecutive Sentences - Add all consecutive sentences together. Concurrent Sentences - Enter longest single term. Do not add concurrent sentences together. If the sentence is 10 years in custody of the Atty Gen, but 8 years are suspended, the In-Jail term would be 2 years													

Attach additional forms if reporting final judicial process on more than three subjects, and submit a final disposition form (R-84) for each subject.

Remarks:

On 12/17/84

Marc Rich and Co., plead-guilty

to

b6
b7C

Joint Investigation with IRS and U.S. Customs

W/TH IRS ON CONTINUED

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

DATE 2-27-01 BY

2 - Bureau
2 - Field Office

(1-NY 196A-1774); (1-66-8492); (1-IAU); (1-Supv.

* See codes on reverse side. Subject description codes in Section F are required only when reporting a conviction.
** In joint operations, identify the other Federal, State or Local Law Enforcement (LE) agency in the Remarks Section.

SERIALIZED *[initials]*
MAR 26 1985
C-1) BURVR:man (H)
BURVR *[signature]*

FBI/DOJ

b6
b7C

~~SECRET~~

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/123

DATE: 28 MAR 85 22:41:57 EST

CC:

TEXT: VZCZCNY0123

PP HQ NH

DE NY #0123 0872201

ZNY UUUUU

R 282011Z MAR 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

ATTN: SUPERVISOR [REDACTED] FCU, DIVISION SIX

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

b6
b7C

BT

UNCLAS SECTION 1 OF 2

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

REFERENCE NEW YORK TELETYPES TO DIRECTOR, JANUARY 11, 1985 AND
FEBRUARY 3, 1985.

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING
OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER.

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C.D.)
DECLASSIFY ON: X 1.1.6

b6
b7C

196-1774-364

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 29 1985	
FBI - NEW YORK	

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

[ON MARCH 20, 1985, A RELIABLE AND SENSITIVE [] SOURCE

b6
b7C
b7D
b7F

[] ~~(S)~~ (U)

[ON MARCH 21, 1985, SOURCE ADVISED []

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0123 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

BASED ON THE ABOVE INFORMATION, SOURCE PROVIDED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0123 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE HAS NO INFORMATION THAT

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION REGARDING

~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

FOR INFORMATION OF RECEIVING OFFICES,

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0123 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON FACE VALUE, THE INFORMATION REGARDING THIS

THE FEDERAL BUREAU OF INVESTIGATION (FBI).

IF THIS AND PREVIOUS INFORMATION PROVIDED

HOWEVER, NEW YORK IS NOT

TOTALLY CONVINCED THIS DETAILED INFORMATION REGARDING

BASED ON INFORMATION DEVELOPED REGARDING

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0123 UNCLAS SECTION 1 OF 2

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] SOURCE COULD NOT PROVIDE ANY ADDITIONAL
INFORMATION. ~~(S)~~ (U)

ON MARCH 21, 1985, NEW YORK REQUESTED THE SOUTHERN DISTRICT OF
NEW YORK (SDNY) DETERMINE IF [REDACTED]
[REDACTED] TAKING
[REDACTED] INTO CONSIDERATION TO POSSIBLE [REDACTED]

b6
b7C
b7E

[REDACTED] ON
MARCH 25, 1985, SDNY, ADVISED A REVIEW OF [REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING
OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE AND HOPEFULLY TO

b7D
b7F

[REDACTED] NEW YORK REQUESTS ~~(S)~~ (U)

BT

#0123

~~SECRET~~

OUTBOX.4 (#2881)

~~SECRET~~

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/124

DATE: 28 MAR 85 22:45:54 EST

CC:

TEXT:
VZCZCNY0124

PP HQ NH

DE NY #0124 0872201

ZNY UUUUU

R 282011Z MAR 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI (196-2848) PRIORITY

FBI NEW HAVEN PRIORITY

BT

UNCLAS SECTION 2 OF 2

THAT ANY DISSEMINATION OF ABOVE INFORMATION OUTSIDE THE FBI BE
LIMITED TO ONLY TRUSTED PEOPLE WITH WHOM THE FBI HAS HAD A LONG
RELATIONSHIP. ~~(S)~~ (U)

NEW YORK HAS TASKED SOURCE TO

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

~~(S)~~ (U)

b7D
b7E

BUREAU AND RECEIVING OFFICES WILL BE ADVISED OF ADDITIONAL
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS BONN, BERN AND ROME FOR INFORMATION.

BT

#0124

NNNN

~~SECRET~~

FD-36 (Rev. 5-22-78)

b6
b7C

~~SECRET~~

10.3

FBI

TELETYPE

PRIORITY

UNCLAS

3/28/85

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI (196-2848) *2241*

ATTN: SUPERVISOR [REDACTED]

FCU, DIVISION SIX

b6
b7C

NEW HAVEN

ATTN: SA [REDACTED]

BT

UNCLAS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FRW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

REFERENCE NEW YORK TELETYPES TO DIRECTOR, JANUARY 11, 1985 AND
FEBRUARY 3, 1985.

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING
OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER.

1 - New York
1 - Supervisor (C-1)
WMM:vxm032V1
(2)

b6
b7C

196-1774-364

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAR 29 1985.	
NEW YORK	

RUR

Approved: *[Signature]*

Transmitted *123/124*

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM

WP Initials: *[Signature]*

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5.1 (C)
DECLASSIFY ON: X-1

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

[ON MARCH 20, 1985, A RELIABLE AND SENSITIVE [REDACTED] SOURCE

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(U)~~

[ON MARCH 21, 1985, SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

(U)

(S)

BASED ON THE ABOVE INFORMATION, SOURCE PROVIDED

b6
b7C
b7D
b7F

[REDACTED]

(S) (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

[REDACTED]

(S) (U)

~~SECRET~~

~~SECRET~~

SOURCE HAS NO INFORMATION THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION REGARDING

[REDACTED] (~~S~~) (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] (~~S~~) (U) b7D b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

FOR INFORMATION OF RECEIVING OFFICES [REDACTED]

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

ON FACE VALUE. THE INFORMATION REGARDING THIS [REDACTED]
[REDACTED] THE FEDERAL BUREAU OF INVESTIGATION (FBI).
IF THIS AND PREVIOUS INFORMATION PROVIDED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] HOWEVER, NEW YORK IS NOT
TOTALLY CONVINCED THIS DETAILED INFORMATION REGARDING [REDACTED]

[REDACTED] BASED ON INFORMATION DEVELOPED REGARDING [REDACTED]

[REDACTED]

[REDACTED] SOURCE COULD NOT PROVIDE ANY ADDITIONAL

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

INFORMATION. ~~(S)~~ (U)

ON MARCH 21, 1985, NEW YORK REQUESTED THE SOUTHERN DISTRICT OF NEW YORK (SDNY) DETERMINE IF [REDACTED]

[REDACTED] TAKING INTO CONSIDERATION TO POSSIBLE [REDACTED]

b6
b7C
b7E

[REDACTED] ON MARCH 25, 1985, SDNY, ADVISED A REVIEW OF [REDACTED]

[REDACTED] ~~(S)~~ (U)

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE AND HOPEFULLY TO [REDACTED] NEW YORK REQUESTS THAT ANY DISSEMINATION OF ABOVE INFORMATION OUTSIDE THE FBI BE LIMITED TO ONLY TRUSTED PEOPLE WITH WHOM THE FBI HAS HAD A LONG RELATIONSHIP. ~~(S)~~ (U)

b7D
b7F

NEW YORK HAS TASKED SOURCE TO [REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F



~~(S)~~ (U)

BUREAU AND RECEIVING OFFICES WILL BE ADVISED OF ADDITIONAL DEVELOPMENTS BY TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS BONN, BERN AND ROME FOR INFORMATION.

~~SECRET~~

b6
b7C

FD-36 (Rev. 5-22-78)

~~SECRET~~
FBI

10.4

TELETYPE

IMMEDIATE

UNCLAS EFTO

4/12/85

IMMEDIATE

NEW YORK (196A-1774) (P) (C-1)

IMMEDIATE

DIRECTOR FBI ()

ATTN: SUPERVISOR [redacted]

FCU, DIVISION SIX

NEW HAVEN ()

ATTN: SA [redacted]

b6
b7C

} 00012

BT

UNCLAS EFTO

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO DIRECTOR, DATED JANUARY 11, 1985, FEBRUARY 3, 1985,
AND MARCH 28, 1985; AND TELCALLS BETWEEN NEW YORK AND LEGAT, BONN,
DATED APRIL 10 - 11, 1985.

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING

b6
b7C

2-23-01

CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6
CDRU 01-081

- 1 - New York
 - 1 - Supervisor C-1
- WMM:yf026V2

(2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

196-1774-365

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1985	
FBI - NEW YORK	

Approved: TFS

Transmitted: 117
118

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: llm

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

Source ~~(S)~~ (U)
SOME ADVISED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

IN THE FREQUENT

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

RECENTLY,

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE HAS NO INFORMATION THAT [REDACTED]

[REDACTED]

~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(S)~~ (U)
SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION REGARDING
[REDACTED]
[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE, AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

b7D
b7F

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING
OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE. ANY DISSEMINATION
OF ABOVE INFORMATION, OUTSIDE THE FBI, SHOULD BE LIMITED TO ONLY
TRUSTED PEOPLE WITH WHOM THE FBI HAD HAD A LONG RELATIONSHIP.

~~SECRET~~

~~SECRET~~

NEW YORK HAS TASKED SOURCE TO [REDACTED]

b7D
b7F

[REDACTED] (~~S~~)(U)

SINCE ALL OF THE INFORMATION AVAILABLE TO NEW YORK REGARDING

b6
b7C
b7D
b7F
b7E

[REDACTED] (~~S~~)(U)

IT IS NOTED, NEW YORK AGENTS HAVE [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

JUSTIFICATION FOR [REDACTED]

1. [REDACTED]

[REDACTED] (~~S~~)(U)

~~SECRET~~

~~SECRET~~

2. SOURCE HAS STATED [REDACTED]

[REDACTED] (~~S~~) (U)

3. SINCE SOURCE HAS [REDACTED]

[REDACTED] (~~S~~) (U)

4. [REDACTED]

[REDACTED] (~~S~~) (U)

5. [REDACTED]

JUSTIFICATION FOR [REDACTED]

1. [REDACTED]

b6
b7C
b7D
b7F
b7E

b6
b7C
b7E

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7E

2. [REDACTED]

[REDACTED]

3. [REDACTED]

[REDACTED]

IF APPROVED, [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

UNLESS AUTHORIZED BY NEW YORK AND/OR FBIHQ. (~~S~~) (U)

IT IS NOTED [REDACTED]

(~~S~~) (U)

~~SECRET~~

~~SECRET~~

[REDACTED] HOWEVER, SDNY, HAS ADVISED THAT [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b7E

LEGAT, BONN, WILL BE PROVIDED WITH [REDACTED]
TELEPHONE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN, FOR INFORMATION.

BUREAU AND RECEIVING OFFICES WILL BE ADVISED OF ADDITIONAL
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

~~SECRET~~

b6
b7C

~~SECRET~~

OUTBOX HAS 11 DOCUMENTS

OUTBOX.1 (#4581)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: IMMEDIATE/117

DATE: 13 APR 85 00:01:28 EST

CC:

TEXT: VZCZCNY0117

OO HQ NH

DE NY #0117 1022330

ZNR EEEEE

R 122106Z APR 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI IMMEDIATE

ATTN: SUPERVISOR [REDACTED] FCU, DIVISION SIX

FBI NEW HAVEN IMMEDIATE

b6
b7C

ATTN: SA [REDACTED]

BT

UNCLAS E F T O SECTION 1 OF 2

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO DIRECTOR, DATED JANUARY 11, 1985, FEBRUARY 3, 1985,
AND MARCH 28, 1985; AND TELCALLS BETWEEN NEW YORK AND LEGAT, BONN,
DATED APRIL 10 - 11, 1985.

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, A)
DECLASSIFY ON: X 1, 6

b6
b7C

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING

196-1774-365

SEARCHED	INDEXED
SERIALIZED	FILED
APR 15 1985	
FBI - NEW YORK	

[Signature]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0117 UNCLAS E F T O SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0117 UNCLAS E F T O SECTION 1 OF 2

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

IN THE FREQUENT

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

RECENTLY,

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0117 UNCLAS E F T O SECTION 1 OF 2

[REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

SOURCE HAS NO INFORMATION THAT [REDACTED]

[REDACTED]

[REDACTED] (~~S~~) (U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION REGARDING

[REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED]

(~~S~~) (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE, AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

BT

#0117

~~SECRET~~

~~SECRET~~

OUTBOX.2 (#4582)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: IMMEDIATE/118

DATE: 13 APR 85 00:03:37 EST

CC:

TEXT: VZCZCNY0118

OO HQ NH

DE NY #0118 1022330

ZNR EEEEE

R 122106Z APR 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI IMMEDIATE

FBI NEW HAVEN IMMEDIATE

BT

UNCLAS E F T O SECTION 2 OF 2

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE. ANY DISSEMINATION OF ABOVE INFORMATION, OUTSIDE THE FBI, SHOULD BE LIMITED TO ONLY TRUSTED PEOPLE WITH WHOM THE FBI HAD HAD A LONG RELATIONSHIP.

NEW YORK HAS TASKED SOURCE TO

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

SINCE ALL OF THE INFORMATION AVAILABLE TO NEW YORK REGARDING

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

IT IS NOTED, NEW YORK AGENTS HAVE ONLY

b7E

JUSTIFICATION FOR

1.

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

2. SOURCE HAS STATED

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

3. SINCE SOURCE HAS BEEN [REDACTED]

(S) (U)

4. [REDACTED]

(S) (U)

5. [REDACTED]

JUSTIFICATION FOR [REDACTED]

1. [REDACTED]

b6
b7C
b7D
b7F
b7E

b6
b7C
b7E

~~SECRET~~

~~SECRET~~

2. [REDACTED]

b6
b7C
b7D
b7E

3. [REDACTED]

IF APPROVED, [REDACTED]

b6
b7C
b7D
b7F
b7E

UNLESS AUTHORIZED BY NEW YORK AND/OR FBIHQ. ~~(S)~~ (U)

IT IS NOTED [REDACTED]

[REDACTED] HOWEVER, SONY, HAS ADVISED THAT [REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7E

~~(S)~~ (U)

LEGAT, BONN, WILL BE PROVIDED WITH
TELEPHONE.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS, BONN AND BERN, FOR INFORMATION.

BUREAU AND RECEIVING OFFICES WILL BE ADVISED OF ADDITIONAL
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

BT

#0118

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

~~SECRET~~

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 32

Page 12 ~ Duplicate;
Page 23 ~ Duplicate;
Page 28 ~ Duplicate;
Page 35 ~ Duplicate;
Page 42 ~ Duplicate;
Page 52 ~ Duplicate;
Page 68 ~ Duplicate;
Page 80 ~ Duplicate;
Page 89 ~ Duplicate;
Page 99 ~ Duplicate;
Page 109 ~ Duplicate;
Page 119 ~ Duplicate;
Page 124 ~ Duplicate;
Page 129 ~ Duplicate;
Page 148 ~ Duplicate;
Page 161 ~ Duplicate;
Page 197 ~ Duplicate;
Page 204 ~ Duplicate;
Page 212 ~ Duplicate;
Page 214 ~ Duplicate;
Page 301 ~ Referral/Consult;
Page 302 ~ Referral/Consult;
Page 303 ~ Referral/Consult;
Page 304 ~ Referral/Consult;
Page 305 ~ Referral/Consult;
Page 306 ~ Referral/Consult;
Page 307 ~ Referral/Consult;
Page 308 ~ Referral/Consult;
Page 309 ~ Referral/Consult;
Page 310 ~ Referral/Consult;
Page 311 ~ Referral/Consult;
Page 312 ~ Referral/Consult;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

OUTBOX.3 (#1869)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY 145

DATE: 18 APR 85 13:49:33 EST

CC:

TEXT: VZCZCNY0145

PP HQ NH

DE NY #0145 1081325

ZNR EEEEE

R 172348Z APR 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIVISION VI

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: SPECIAL AGENT [REDACTED]

BT

~~UNCLAS E F T O~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~2-20-01
CLASSIFIED BY [REDACTED]
REASON: 1.5
DECLASSIFY ON: X1~~

01-081

MARC RICH, FUGITIVE; PINCUS GREEN, FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.



REFERENCE NEW YORK TELETYPE TO THE DIRECTOR, DATED APRIL 12,
1985, AND NEW YORK TELEPHONE CALLS TO FBIHQ, NEW HAVEN AND LEGAT,
BONN, DATED APRIL 15, 16 AND 17, 1985.

FOR INFORMATION OF RECEIVING OFFICES, A RELIABLE AND SENSITIVE

196-1774-366

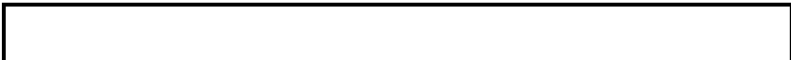
~~SECRET~~

SEARCHED	INDEXED
SERIALIZED	FILED
APR 18 1985	
FBI - NEW YORK	

 SOURCE 

b6
b7C
b7D
b7F

 (S) (U)

SOURCE ADVISED THAT 

b6
b7C
b7D
b7F

 (S) (U)

~~SECRET~~

~~SECRET~~

b7D
b7F

~~(S)~~ ~~(S)~~ (U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY
TELEPHONE AND TELETYPE.

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS ~~(S)~~ (U) INFORMATION
FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING
OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE WHICH WOULD
PLACE SOURCE AND FAMILY IN PHYSICAL JEOPARDY.

b7D
b7F

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING
OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE. ANY DISSEMINATION
OF ABOVE INFORMATION OUTSIDE THE FBI SHOULD BE LIMITED TO ONLY
TRUSTED PEOPLE WITH WHOM THE FBI HAS HAD A LONG RELATIONSHIP.

~~SECRET~~

PAGE FOUR DE NY 0145 UNCLAS E F T O

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGATS BONN AND BERN FOR INFORMATION.

BT

#0145

~~SECRET~~

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

back of page

~~SECRET~~

b6
b7C

10.25
(75927)

FD-36 (Rev. 5-22-78)

FBI

TELETYPE

~~SECRET~~
PRIORITY

UNCLAS EFTO

4/17/85

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI ()

ATTN: SUPV. [REDACTED]

FCU, DIVISION VI

b6
b7C

PRIORITY

NEW HAVEN ()

ATTN: SPECIAL AGENT [REDACTED]

BT

UNCLAS EFTO

MARC RICH, FUGITIVE; PINCUS GREEN, FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

REFERENCE NEW YORK TELETYPE TO THE DIRECTOR, DATED APRIL 12,
1985, AND NEW YORK TELEPHONE CALLS TO FBIHQ, NEW HAVEN AND LEGAT,
BONN, DATED APRIL 15, 16 AND 17, 1985.

b6
b7C

200-A
CLASSIFIED BY [REDACTED]
REASON: (C-1)
DECLASSIFY ON: X 1-85
01-85

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

196-1774-366

SEARCHED	INDEXED
SERIALIZED	FILED
APR 18 1985	
FBI - NEW YORK	

① - New York

1 - Supervisor (Sq. C-1)

WMM:slf053V4

(2)

Approved: [Signature] Transmitted 145 Per [Signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [Signature]

~~SECRET~~

~~SECRET~~

FOR INFORMATION OF RECEIVING OFFICES, A RELIABLE AND SENSITIVE

SOURCE

b6
b7C
b7D
b7F

SOURCE ADVISED THAT

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F

~~(S)~~ (U)

RECEIVING OFFICES WILL BE KEPT APPRISED OF DEVELOPMENTS BY TELEPHONE AND TELETYPE.

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE WHICH WOULD PLACE SOURCE AND FAMILY IN PHYSICAL JEOPARDY.

b7D
b7F

(U)

NEW YORK REQUESTS THIS INFORMATION BE HANDLED BY RECEIVING OFFICES WITH EXTREME CAUTION TO PROTECT SOURCE. ANY DISSEMINATION OF ABOVE INFORMATION OUTSIDE THE FBI SHOULD BE LIMITED TO ONLY TRUSTED PEOPLE WITH WHOM THE FBI HAS HAD A LONG RELATIONSHIP.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO

~~SECRET~~

~~SECRET~~

LEGATS BONN AND BERN FOR INFORMATION.

~~SECRET~~

TCM:mmm

b7D

1

On April 16, 1985, [redacted] furnished the following information to Special Agents (SAs) [redacted] and [redacted]

b6
b7C
b7D

Source advised that [redacted]

[Large redacted area]

b6
b7C
b7D

Source advised [redacted]

b7D

[Redacted area]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [redacted]

b6
b7C

196-1774-367

SEARCHED	INDEXED
SERIALIZED	FILED
MAY - 2 1985	
FBI - NEW YORK	

196-1774-368

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 10 1935	
FBI - NEW YORK	

SAP

~~196-1774-368~~

Memorandum



To : ADIC, NEW YORK 196A-1774 (P) Date 5/16/85

From : SA [redacted]

C-1

b6
b7C

Subject :

MARC RICH - FUGITIVE

PINCUS GREEN - FUGITIVE

RICO: FBW: RF et al
OO: NY

b6
b7C
b7D

On 5/8/85

advised that

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-20-01 BY [redacted]
01-001

b6
b7C

LEAD

Contacted

OF

RICH

AND

GREEN.

RE : CURRENT ACTIVITIES

b6
b7C

Contacted on 6/10/85 -

until

call back then

~~CONFIDENTIAL~~
~~CLASSIFIED BY~~

~~SECRET~~

~~CONFIDENTIAL~~
~~CLASSIFIED BY~~

194-1774-369

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
OCT 15 1984	
YORK 1 Rve	

b6
b7C

back of page

~~SECRET~~

b6
b7C

WMM:mjw

NY 196A-1774

~~SECRET~~

On July 31, 1984, [REDACTED] ~~(S)~~ (U) provided the following information to Special Agent [REDACTED] FEDERAL BUREAU OF INVESTIGATION (FBI), NYC:

b6
b7C
b7D
b7F

Source has [REDACTED]

b6
b7C
b7D
b7F

On July 31, 1984, source advised [REDACTED]

b6
b7C
b7D
b7F

Source learned that [REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

Source states [REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

Source's identity must be protected as source will be in physical danger if his identity is divulged.

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

22001
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C,D)
DECLASSIFY ON: X 1, 6
01-061

b6
b7C

~~SECRET~~

~~SECRET~~

~~SECRET~~

196-1774-370

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
DEC 14 1984	
YORK	
ROR	

b6
b7C

back of page

~~SECRET~~

b6
b7C

WMM:baw

NY 196A-1774

~~SECRET~~

(U) On October 10, 1984, [redacted] ~~(S)~~ provided the following information to Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION, New York City:

b6
b7C
b7D
b7F

Source previously provided [redacted]

[redacted]

b6
b7C
b7D
b7F

(U) [redacted] ~~(S)~~

During the afternoon of October 10, 1984, a sensitive and reliable [redacted] source [redacted]

[redacted]

b6
b7C
b7D
b7F

(U) [redacted] ~~(S)~~

In view of the above, [redacted]

[redacted]

b6
b7C
b7D
b7F

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7E

b6
b7C

2-20-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X1, 6
01-001

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

196-1774-371

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
DEC 14 1984	
[Redacted Box]	
YORK	
RUR	

b6
b7C

back of page

~~[Redacted]~~

b6
b7C

WMM:baw

NY 196A-1774

~~SECRET~~
During the period of [redacted]
[redacted] provided the following information to Special
Agent [redacted] FEDERAL BUREAU OF INVESTIGATION, New
York City: ~~(S)~~ (U)

b6
b7C
b7D
b7F

Source provided [redacted]
[redacted]

b6
b7C
b7D
b7F
b7E

Source advised on [redacted]
[redacted]

b6
b7C
b7D
b7F

Source advised the [redacted]
[redacted]

b6
b7C
b7D
b7F

2-25-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6
01-081

b6
b7C

~~SECRET~~
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

WMM:baw

~~SECRET~~

NY 196A-1774

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ ~~(S)~~ (U)

Source advised [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ ~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ ~~(S)~~ (U)

ADMINISTRATIVE

Source mentioned above is [REDACTED] ~~(S)~~ ~~(S)~~ (U) Source's identity must be protected as source and family will be in physical danger if source's identity is disclosed.

b7D
b7F

~~SECRET~~

196A-1774-372

~~CONFIDENTIAL~~

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 15 1985	
[Redacted Box]	
NEW YORK	
RVR	

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

b6
b7C

back of
page

b6
b7C

WMM:baw

NY 196A-1774

~~SECRET~~

On December 10, 1984, [REDACTED] (S) (U) provided the following information to Special Agent [REDACTED] FEDERAL BUREAU OF INVESTIGATION (FBI), New York City:

b6
b7C
b7D
b7F

Source, [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

According to source, [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

2200
CLASSIFIED BY [REDACTED]
REASON: 1.5 (S) (U)
DECLASSIFY ON: X 1,6

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

01-081

~~SECRET~~

~~SECRET~~

WMM:baw

NY 196A-1774

In addition

b6
b7C
b7D
b7F

~~(S)~~ ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ ~~(S)~~ (U)

On December 10, 1984, source advised that

b6
b7C
b7D
b7F

~~(S)~~ ~~(S)~~ (U)

b7D
b7F

~~(S)~~ ~~(S)~~ (U)

source

b6
b7C
b7D
b7F

~~(S)~~ ~~(S)~~ (U)

In regard to the

(U)

~~(S)~~ ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

WMM:baw

NY 196A-1774

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (~~S~~) (U)

Based on

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (~~S~~) (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (~~S~~) (U)

It is noted that

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (~~S~~) (U)

In regard to

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (~~S~~) (U)

ADMINISTRATIVE

Source mentioned above is [REDACTED] (~~S~~) (~~S~~) (U) source's identity must be protected as source and family will be in physical danger if source's identity is disclosed.

b7D
b7F

~~SECRET~~

~~RECEIVED BY~~
~~196-1774-373~~

~~AMERICAN COUNCIL ON
HUMAN RIGHTS
100 WASHINGTON BLVD~~

196-1774-373

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 15 1985	
[Redacted Box]	
YORK	

b6
b7C

back of page

~~257-1~~

~~SECRET~~

WMM:hdb

NY 196A-1774

On Decembe 19, 1984, [redacted] ~~(S)~~(U) provided the following information to Special Agents [redacted] and [redacted] [redacted] FEDERAL BUREAU OF INVESTIGATION (FBI), New York Office:

b6
b7C
b7D
b7F

Source [redacted]

[redacted]

b6
b7C
b7D
b7F

provided by source. ~~(S)~~(U)

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~(U)

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~(U)

b6
b7C

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C) (d)
DECLASSIFY ON: X-1 (b)
01-081

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

Source advised [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

Following the [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

Following [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

Source advised [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

The following is a summary of [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

At the outset, [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

In regard to [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

Before [REDACTED]

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

Source said [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

[REDACTED]

[REDACTED]

b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

[REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

During the [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

Source said [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

[REDACTED] source is [REDACTED] ~~(S)~~ source's identity must be protected. Source and family will be in physical jeopardy if source's identity is disclosed.

b7D
b7F

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 01-11-2001 BY 60322 UCBAW~~

~~RECEIVED~~

b6
b7C

196 - 1774 - 374

SEARCHED.....INDEXED.....
SERIALIZED.....FILED.....

FEB 15 1985

ORR
1 RR

back of page

~~SECRET~~

b6
b7C

WMM:hdb

NY 196A-1774

~~SECRET~~

On January 31, 1985, [REDACTED] ~~(S)~~ (U) provided the following information to Special Agent [REDACTED] FEDERAL BUREAU OF INVESTIGATION, New York Office:

b6
b7C
b7D
b7F

Source's [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

ADMINISTRATIVE

Source's identity must be protected, as source and family will be in physical danger if source's identity is disclosed. Information from source is singular in nature and should be handled with caution.

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C/D)
DECLASSIFY ON: X 1/6
01-081

b6
b7C

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

~~DECLASSIFY ON: X
UNLESS
CLASSIFIED BY~~

196-1774-375

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 15 1995	
<div data-bbox="1104 287 1291 393" style="border: 1px solid black; width: 115px; height: 50px;"></div>	
YORK	

b6
b7C

back of page

~~SECRET~~

b6
b7C

WMM:hdb

NY 196A-1774

~~SECRET~~

The following information was provided by [redacted] to [redacted]
Special Agent [redacted], FEDERAL BUREAU OF INVESTIGATION,
New York Office, during the period of July 23-30, 1984:

b6
b7C
b7D
b7F

Source, [redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]

b6
b7C
b7D
b7F

According to source, [redacted]

(U)

First, [redacted]

b6
b7C
b7D
b7F

Second, [redacted]

b6
b7C
b7D
b7F

Source advised the [redacted]

b6
b7C
b7D
b7F

3-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (2d)
DECLASSIFY ON: X 1/6/01

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

Following these discussions, [REDACTED]

[REDACTED] ~~(S)~~ (U)

Source advised that [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

Source advised [REDACTED]

[REDACTED] ~~(S)~~ (U)

Source was told [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

b7D
b7F

In regard to [REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

WMM:hdb

NY 196A-1774

b7D
b7F

~~(S)~~ (U)

ADMINISTRATIVE

Source's identity must be protected as source will be in physical danger if his identity is divulged.

~~SECRET~~

~~SECRET~~

196-1774-376

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 15 1985	
[Redacted Box]	
YORK	
[Signature]	

~~DECLASSIFIED ON: X
BY: 2017
AT: 000000 0000~~

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

b6
b7C

back of page

~~SECRET~~

WMM:hdb

NY 196A-1774

~~SECRET~~

On February 27, 1984, [redacted] provided the following information to Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION, New York Office:

b6
b7C
b7D
b7F

On February 27, 1984, source [redacted]

[redacted]

b7D
b7F

Source described [redacted]

[redacted]

b7D
b7F

Source does not [redacted]

[redacted]

b7D
b7F

ADMINISTRATIVE

Information from source is of a highly sensitive nature and disclosure could reveal source's identity. Source [redacted]
[redacted] Source is a highly placed informant [redacted]
[redacted] matters whose identity, if revealed, will positively lead to physical danger to source and his family.

b7D
b7F
b7E

b6
b7C

~~2-21-01~~
CLASSIFIED BY [redacted]
REASON: 1.5 (C1)
DECLASSIFY ON: X 1
01-06

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~SECRET~~

194-1774-377

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
FEB 15 1985	
NEW YORK	
FBI	

b6
b7C

back of
page

~~SECRET~~

WMM:hdb

NY 196A-1774

~~SECRET~~

On January 25, 1984, [redacted] provided the following information to Special Agent (SA) [redacted] FEDERAL BUREAU OF INVESTIGATION, New York Office:

b6
b7C
b7D
b7F

[redacted]
[redacted]
[redacted] (S) (U)

b6
b7C
b7D
b7F

[redacted]
[redacted]
[redacted] (S) (U)

b7D
b7F

Source further stressed that [redacted]
[redacted]
[redacted] (S) (U)

b7D
b7F

On January 25, 1985, source provided [redacted]
[redacted]
[redacted] (S) (U)

b7D
b7F

[redacted]
[redacted]
[redacted] (S) (U)

b7D
b7F

b6
b7C

2-2-81
CLASSIFIED BY: [redacted]
REASON: 1.5 (c)(1)
DECLASSIFY ON: X 1-6
01-081

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~TOP SECRET~~

106-1774-378

SEARCHED	INDEXED
SERIALIZED	FILED
APR 16 1985	
[Redacted Box]	
YORK	

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

~~DECLASSIFIED BY
[Redacted Box]
ON 03/01/85~~

b6
b7C

back of page

~~TOP SECRET~~

b6
b7C

WMM:mjw

NY 196A-1774

~~SECRET~~

On March 20, 1985, New York [redacted] ~~(S)~~ (U) a reliable and sensitive [redacted] source [redacted]

b6
b7C
b7D
b7F

[redacted] provided the following information to NY Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION:

Source advised that [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

On March 21, 1985, source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

Based on the above information, source provided [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] ~~(S)~~ (U)

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (U)
DECLASSIFY ON: X 1

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

01-061

~~SECRET~~

WMM:mjw

NY 196A-1774

~~SECRET~~

[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

Source advised [REDACTED]

[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

Source has no information that [REDACTED]

[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

According to source, [REDACTED]

[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

Source providing the above information is [REDACTED] ~~(S)~~ (U)
Information from this source is highly singular in nature and
improper handling of the information could disclose identity of
source. If source's identity is disclosed, both source and
family will be in physical jeopardy.

b7D
b7F

~~SECRET~~

WMM:mjw

NY 196A-1774

~~SECRET~~

On March 21, 1985, NY requested the Southern District of
NY (SDNY) determine if [REDACTED]

[REDACTED]

On March 25, 1985, SDNY advised a review of

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7E

~~SECRET~~

WMM:hdb

NY 196A-1774

~~SECRET~~

ADMINISTRATIVE

Source's identity must be protected as source will be in physical danger if his identity is divulged.

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN OTHERWISE
ALL INFORMATION CONTAINED~~

~~DECLASSIFY ON: X
REASON: 1.2 ()
CLASSIFIED BY:~~

~~SECRET~~

196-1774-379

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
MAY 15 1985	
[] NEW YORK	
[] RUP	

b6
b7C

back of page

~~SECRET~~

WMM:mjw

~~SECRET~~

NY 196A-1774

On ~~March~~ ^{April} 17, 1985, New York [redacted] ~~(S)~~ (U) reliable and sensitive [redacted] source [redacted] provided the following information to Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION, NYC:

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

Source advised that [redacted]

b6
b7C
b7D
b7F

ADMINISTRATIVE

Source providing above information is [redacted] ~~(S)~~ (U)
Information from this source is highly singular in nature and improper handling of the information could disclose identity of source which would place source and family in physical jeopardy.

b7D
b7F

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X

b6
b7C

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~CONFIDENTIAL~~
~~CONFIDENTIAL~~
~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

196-1774-380

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 15 1985	
<div data-bbox="1084 314 1279 442" style="border: 1px solid black; width: 120px; height: 60px;"></div>	
YORK	
RJR	

b6
b7C

back of page

b6
b7C

WMM:mjw

NY 196A-1774

~~SECRET~~

On April 11, 1985, New York [REDACTED] provided the following information to Special Agent [REDACTED] FEDERAL BUREAU OF INVESTIGATION, NY:

b6
b7C
b7D
b7F

Source, who is [REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

Source was told by [REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

Recently, [REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

Source advised [REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

b6
b7C

2-2-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X

01-061

~~SECRET~~

WMM:mjw

NY 196A-1774

~~SECRET~~

Source advised [redacted]

[redacted]

b6
b7C
b7D
b7F

[redacted] (S) (U)

Source could not provide any additional information
regarding [redacted]

b6
b7C
b7D
b7F

[redacted] (S) (U)

ADMINISTRATIVE

Source providing the above information is [redacted] (S) (U)
Information from this source is highly singular in nature and
improper handling of the information could disclose identity of
source. If source's identity is disclosed, both source and
family will be in physical jeopardy.

b7D
b7F

~~SECRET~~

10.36

FD-36 (Rev. 5-22-78)

b6
b7c

FBI
~~SECRET~~
PRIORITY

TELETYPE

~~SECRET~~

6/11/85

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI ()

ATTN: SUPV. [REDACTED]

FCU, DIV. SIX

NEW HAVEN ()

ATTN: SA [REDACTED]

b6
b7c

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELS TO DIRECTOR, DATED JANUARY 11, 1985, MARCH 28, 1985,
APRIL 12, 1985, APRIL 17, 1985; AND VARIOUS TELEPHONE CALLS TO FBIHQ
AND LEGAT, BONN, APRIL 15, 1985 - JUNE 10, 1985.

2-21-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C-1)
DECLASSIFY ON: X 1.6

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor (C-1)
WMM:ver033V2
(2)
[Signature]

b6
b7c

196-1774-381

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 20 1985	
FBI - NEW YORK	

[Signature]

Approved: _____ Transmitted _____ Per _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: dm

~~SECRET~~

~~SECRET~~

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. DUE TO THE NATURE OF SOME OF THESE DEVELOPMENTS, IT IS NECESSARY TO CLASSIFY THIS TELETYPE ~~"SECRET"~~ WHICH PRECLUDES DISSEMINATION OF THE TELETYPE TO [REDACTED] LEGAT, BONN. BY SEPARATE TELETYPE, NEW YORK WILL PROVIDE LEGAT, BONN, WITH INFORMATION FROM THIS TELETYPE WHICH CAN BE DISSEMINATED TO [REDACTED]

b7D

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

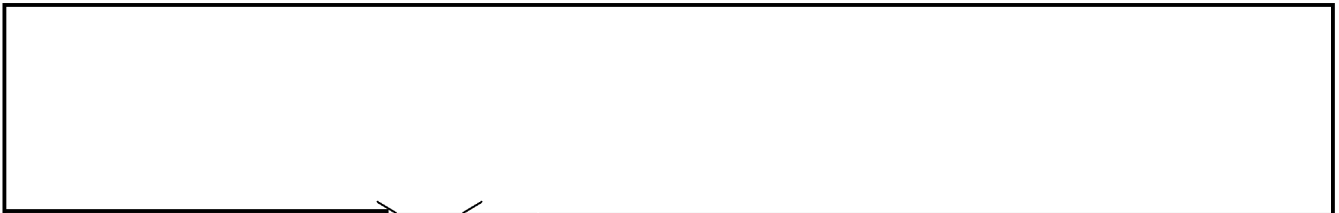
[REDACTED] (S) (U)

[REDACTED] (S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

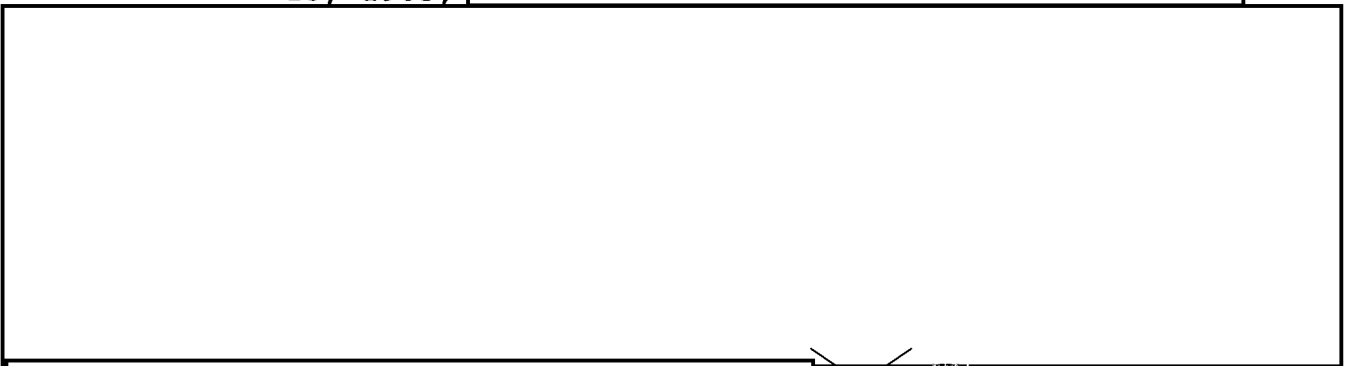


~~(S)~~ (U)

ON APRIL 23, 1985,



b6
b7C
b7D
b7F



~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING THE

~~(S)~~ (U)

IN SUMMARY,

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~(U)

WHILE DISCUSSING THE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~(U)

AT THE CONCLUSION OF

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

SOURCE ADVISED

[REDACTED]

(U)
~~(S)~~
~~(S)~~
(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~

b6
b7C
b7D
b7F

ON MAY 24, 1985,

[Redacted]

(U)

~~(S)~~ (U)

SOURCE LEARNED THAT

[Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

DURING THE

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

ANOTHER TOPIC PLANNED FOR

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE WILL REMAIN

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

ADMINISTRATIVE

b7D
b7F

SOURCE PROVIDING THE ABOVE INFORMATION IS ~~(S)~~ (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTIFY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN AND BERN, FOR INFORMATION.

~~C BY C 3; DECL: OADR~~

~~SECRET~~

OUTBOX.2 (#4399)

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-02-2017 BY: [REDACTED]

b6
b7C

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/138

~~SECRET~~

DATE: 12 JUN 85 22:23:58 EDT

CC:

TEXT: VZCZCNY0138

PP HQ NH

DE NY #0138 1632144

ZNY SSSSS

R 122120Z JUN 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIV. SIX

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

b6
b7C

~~8-21-61
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C, 4)
DECLASSIFY ON: X 16
01-081~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELS TO DIRECTOR, DATED JANUARY 11, 1985, MARCH 28, 1985,
APRIL 12, 1985, APRIL 17, 1985; AND VARIOUS TELEPHONE CALLS TO FBIHQ
AND LEGAT, BONN, APRIL 15, 1985 - JUNE 10, 1985.

381
196-1774

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 20 1985	
FBI - NEW YORK	

~~SECRET~~

~~SECRET~~

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. DUE TO THE NATURE OF SOME OF THESE DEVELOPMENTS, IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION OF THE TELETYPE TO [REDACTED] LEGAT, BONN. BY SEPARATE TELETYPE, NEW YORK WILL PROVIDE LEGAT, BONN, WITH INFORMATION FROM THIS TELETYPE WHICH CAN BE DISSEMINATED TO [REDACTED]

b7D

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON APRIL 23, 1985,

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

FOLLOWING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN SUMMARY,

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0138 ~~SECRET~~ SECTION 1 OF 2

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

WHILE DISCUSSING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0138

~~SECRET~~

~~SECRET~~

OUTBOX.3 (#4400)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/139

DATE: 12 JUN 85 22:25:53 EDT

CC:

TEXT: VZCZCNY0139

PP HQ NH

DE NY #0139 1632144

ZNY SSSSS

R 122120Z JUN 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

b6
b7C
b7D
b7F

AT THE CONCLUSION OF

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0139 ~~SECRET~~ SECTION 2 OF 2

~~(S)~~ (U)

b6
b7C
b7D
b7F

ON MAY 24, 1985,

~~(S)~~ (U)

SOURCE LEARNED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

ANOTHER TOPIC PLANNED FOR

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE WILL REMAIN

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

PAGE FIVE DE NY 0139 ~~SECRET~~ SECTION 2 OF 2
ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS ~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTIFY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN AND BERN, FOR INFORMATION.

~~C BY G-3; DECL: OADR~~

BT

#0129

NNNN

-----END OF DOCUMENT-----

~~SECRET~~ (U)

10.43

FD-36 (Rev. 5-22-78)

b6
b7C

FBI

TELETYPE

PRIORITY

UNCLAS EFTO

~~SECRET~~

6/12/85

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()
ATTN: SUPV.

FCU, DIV, SIX

b6
b7C

BT
UNCLAS EFTO

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO DIRECTOR, JUNE 10, 1985, AND NYTELCAL TO LEGAT,
BONN, JUNE 10, 1985.

PURPOSE OF THIS TELETYPE IS TO ADVISE LEGAT, BONN, OF
DEVELOPMENTS IN CAPTIONED MATTER. THE CONTENTS OF THIS TELETYPE CAN
BE DISSEMINATED TO BY LEGAT, BONN. b7D

2-21-a
~~CLASSIFIED BY~~
~~REASON: 1.5 (C-1)~~
~~DECLASSIFY ON: X 1/10~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

b6
b7C

1 - New York 01-061
1 - Supervisor (C-1)
WMM:ver034V2
(2)
hy

196-1774-382

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN 13 1985	
FBI - NEW YORK	

Approved: _____ Transmitted _____ Per _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: Chy

~~SECRET~~

~~SECRET~~

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND DENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

ON APRIL 23, 1985, [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING THE

~~(S)~~ (U)

IN SUMMARY,

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

[Redacted]

[Redacted] (U) ~~(S)~~

b6
b7C
b7D
b7F

[Redacted]

[Redacted] ~~(S)~~ (U)

[Redacted] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

WHILE DISCUSSING THE

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

AT THE CONCLUSION OF

[REDACTED]

[REDACTED]

~~(S)~~

SOURCE ADVISED

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

(U) ~~(S)~~

ON MAY 24, 1985, [Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

SOURCE LEARNED THAT [Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7F

~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

SOURCE WILL REMAIN [REDACTED] (S) (U)

ADMINISTRATIVE

b7D
b7F

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] (S) (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT BONN FOR INFORMATION.

~~SECRET~~

OUTBOX.4 (#4401)

TO: HQ1 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/140

DATE: 12 JUN 85 22:22:35 EDT

CC:

TEXT: VZCZCNY0140

PP HQ

DE NY #0140 163214Z

ZNR EEEEE

R 122119Z JUN 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIV, SIX

BT

UNCLAS E F T O SECTION 1 OF 2

2-21-01
~~CLASSIFIED BY [REDACTED]~~
~~REASON: 1.5 (C, d)~~
~~DECLASSIFY ON: X 1.6~~
01081

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

RENYTEL TO DIRECTOR, JUNE 10, 1985, AND NYTELCAL TO LEGAT,
BONN, JUNE 10, 1985.

PURPOSE OF THIS TELETYPE IS TO ADVISE LEGAT, BONN, OF
DEVELOPMENTS IN CAPTIONED MATTER. THE CONTENTS OF THIS TELETYPE CAN
BE DISSEMINATED TO [REDACTED] BY LEGAT, BONN.

b7D

196-1774-382

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUN 13 1985	
FBI - NEW YORK	

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0140 UNCLAS E F T O SECTION 1 OF 2

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION

OBTAINED BY A RELIABLE AND DENSITIVE

[REDACTED]

SOURCE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

ON APRIL 23, 1985,

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0140 UNCLAS EDITION 1 OF 2

b6
b7C
b7D
b7F

FOLLOWING THE

~~(S)~~ (U)

IN SUMMARY,

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR DE NY 0140 UNCLAS E SECTION 1 OF 2

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FIVE DE NY 0140 UNCLAS E F TO SECTION 1 OF 2

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

WHILE DISCUSSING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE SIX DE NY 0140 UNCLAS E F T O SECTION 1 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON MAY 24, 1985,

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED THAT

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0140

~~SECRET~~

OUTBOX.5 (#4402)

~~SECRET~~

TO: HQ1 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/141

DATE: 12 JUN 85 22:35:54 EDT

CC:

TEXT: VZCZCNY0141

PP HQ

DE NY #0141 1632148

ZNR EEEEE

R 122119Z JUN 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

BT

UNCLAS E F T O SECTION 2 OF 2

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

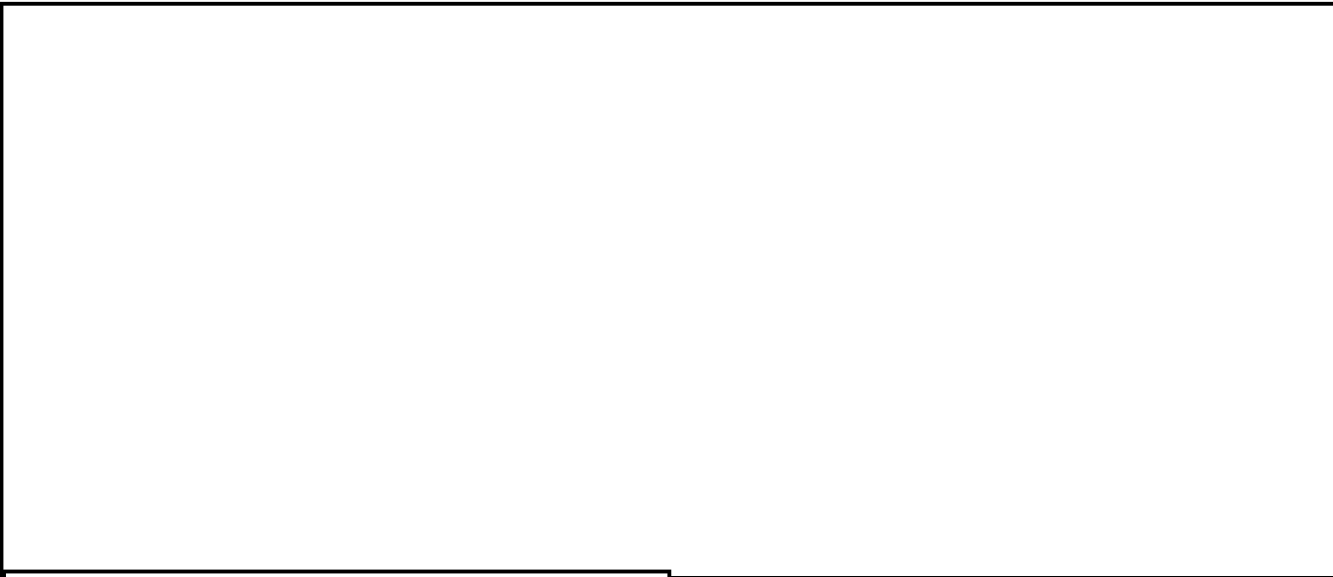
b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE TWO DE NY 0141 UNCLAS E F T O SECTION 2 OF 2

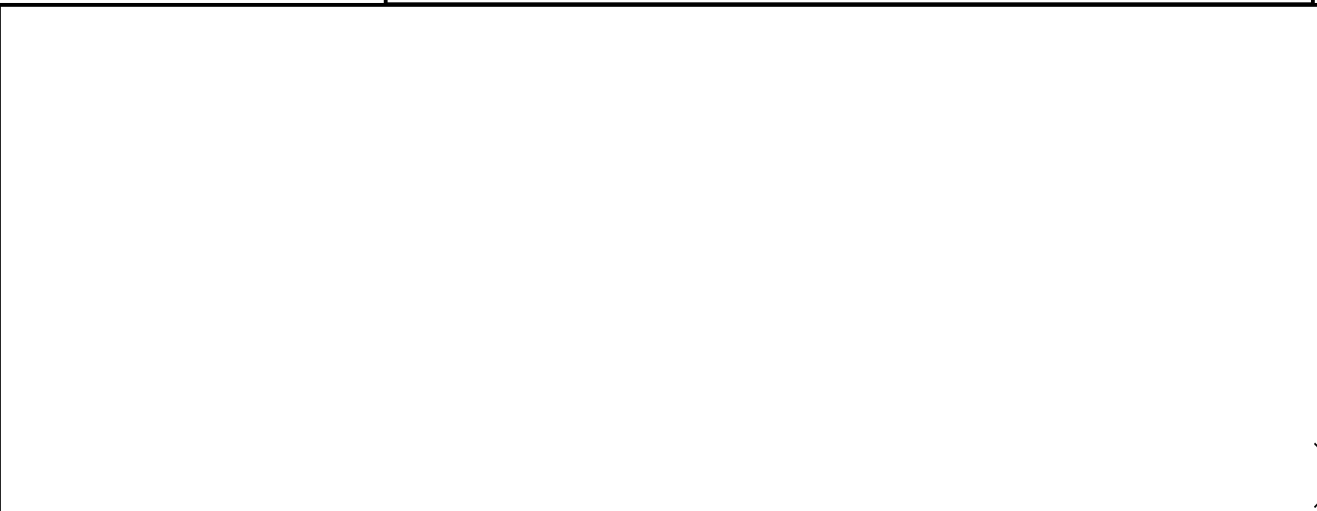
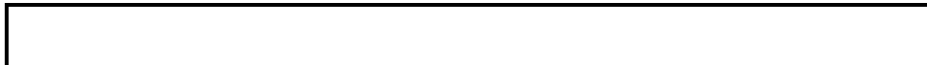


b6
b7C
b7D
b7F



~~(S)~~ (U)

SOURCE LEARNED



b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE DE NY 0141 UNCLAS E F T O SECTION 2 OF 2

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE WILL [REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED]

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT BONN FOR INFORMATION.

BT

#0141

NNNN

~~SECRET~~

-----END OF DOCUMENT-----

OUTBOX.6 (#4403)

Memorandum



To : ADIC, NEW YORK (196 A-1774) Date 6/25/85
(C-1) (P)

From :

SA [redacted]

b6
b7C

Subject :

MARC RICH- FUGITIVE
PINCUS GREEN- FUGITIVE
et al

RICO: FBW: MP: TE:

OO: NY

on 6/19/85 and 6/24/85

advised

b6
b7C
b7D

told some that

b6
b7C
b7D

advised that

is presently contacting

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

01-081

196-1774-383

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 25 1985	
FBI - NEW YORK	

10.3

FD-36 (Rev. 5-22-78)

~~SECRET~~ FBI

TELETYPE

PRIORITY

~~SECRET~~

7/2/85

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()
ATTN: SUPV. [REDACTED] FCU, DIV, SIX
NEW HAVEN ()
ATTN: SA [REDACTED]

b6
b7C

BT
~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO DIRECTOR, DATED JUNE 11, 1985, AND NEW YORK
TELEPHONE CALLS TO BUREAU, LEGAT, BONN, AND NEW HAVEN, DATED JUNE
21, 1985 - JULY 1, 1985.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

221-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (CJ)
DECLASSIFY ON: X 5/6
01-081

196A-1774-384

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 2 1985	
FBI NEW YORK	

[REDACTED]

b6
b7C

1 - New York
1 - Supervisor (C-1)
WMM:ver075V2
(2) *ky*

Approved: SLH/RVR Transmitted _____ Per _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: clm

~~SECRET~~

~~SECRET~~

PURPOSE OF THIS TELETYPE IS TO ADVISE BUREAU, LEGAT, BONN, AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER. DUE TO THE NATURE OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN, WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED] IN THE NEAR FUTURE.

b7D

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

AS A RESULT OF THE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

(U)

PRIOR TO

b6
b7C
b7D
b7F

(U)

AFTER

b6
b7C
b7D
b7F

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

BASED IN THE ABOVE INFORMATION AND DISCUSSION WITH NEW YORK
SUPERVISORY PERSONNEL, A DECISION WAS MADE [REDACTED]
[REDACTED] SPECIAL AGENTS [REDACTED] (NEW YORK) AND
[REDACTED] (NEW HAVEN) AND, FOR PROTECTION OF [REDACTED] SOURCE,
NOT TO REQUEST [REDACTED] A
KEY FACTOR IN THIS DECISION WAS THE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

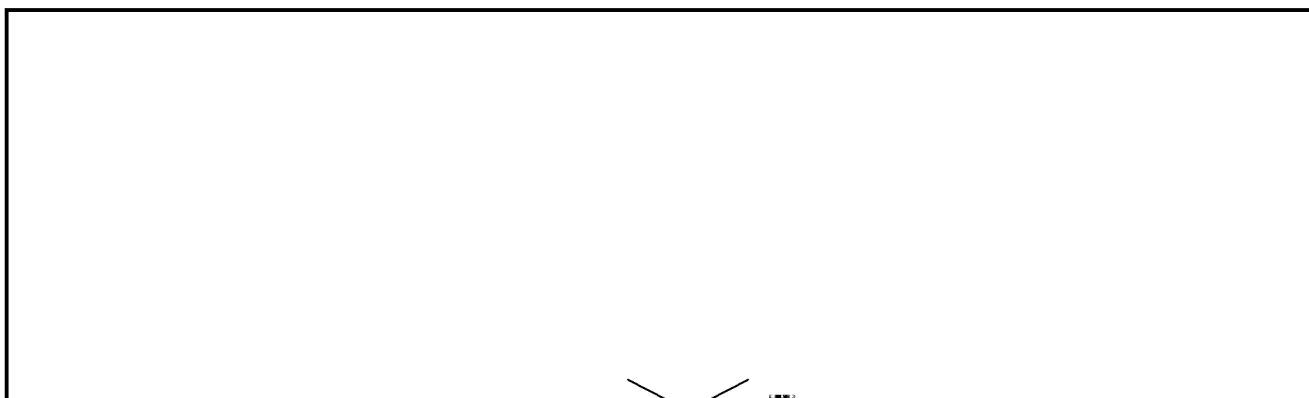
SOURCE ADVISED [REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

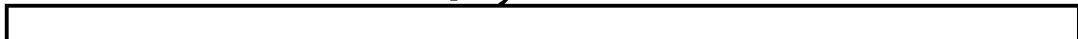
~~SECRET~~

b6
b7C
b7D
b7F



~~(S)~~ (U)

AT THE

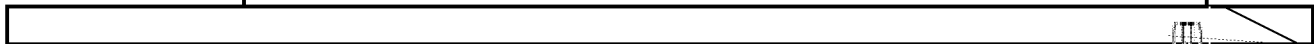


b6
b7C
b7D
b7F



~~(S)~~ (U)

DURING



~~(U)~~

~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE SAID THE

[REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

IN ADDITION TO THE ABOVE.

[REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
DURING THE [REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE SAID THE [REDACTED]
[REDACTED] ~~(S)~~ (U)

SOURCE CAUTIONED THE NEW YORK CASE AGENT CONCERNING [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
LEGAT, BONN, ADVISED THTA [REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

ADMINISTRATIVE

b7D
b7F

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN, FOR INFORMATION.

~~C BY G-3, DECL: OADR~~

~~SECRET~~

b6
b7C

OUTBOX.3 (#6685)

TO: HQ2 @ SAMNET-EMH

~~SECRET~~

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/129

DATE: 2 JUL 85 23:19:08 EDT

CC:

TEXT: VZCZCNYD129

PP HQ NH

DE NY #0129 1932143

ZNY SSSSS

R 022112Z JUL 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIV. SIX

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 2

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FEW; MF; RICO;

INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTEL TO DIRECTOR, DATED JUNE 11, 1985, AND NEW YORK

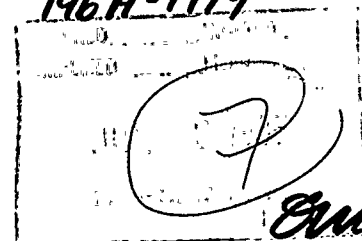
TELEPHONE CALLS TO BUREAU, LEGAT, BONN, AND NEW HAVEN, DATED JUNE

21, 1985 - JULY 1, 1985.

2-21-01 [REDACTED]
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C-1)
DECLASSIFY ON: X 1-6
01-061

b6
b7C

~~SECRET~~



~~SECRET~~

PURPOSE OF THIS TELETYPE IS TO ADVISE BUREAU, LEGAT, BONN. AND
NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER. DUE TO THE NATURE OF
SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS
TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION TO [REDACTED]
[REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN. WITH
A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]
[REDACTED] IN THE NEAR FUTURE.

b7D

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

AS A RESULT OF THE [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

PRIOR TO

b6
b7C
b7D
b7F

~~(S)~~ (U)

AFTER

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

BASED IN THE ABOVE INFORMATION AND DISCUSSION WITH NEW YORK
SUPERVISORY PERSONNEL, A DECISION WAS MADE [REDACTED]
[REDACTED] SPECIAL AGENTS [REDACTED] (NEW YORK) AND
[REDACTED] (NEW HAVEN) AND, FOR PROTECTION OF [REDACTED] SOURCE.

b6
b7C
b7D
b7F
b7E

NOT TO REQUEST [REDACTED] A
KEY FACTOR IN THIS DECISION WAS THE [REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

AT THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~(S)~~ (U)

b6
b7C
b7D
b7F

DURING

~~(S)~~ (U)

SOURCE SAID THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0129

~~SECRET~~

~~SECRET~~

OUTBOX.4 (#6686)

TO: HQ2 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/130

DATE: 2 JUL 85 23:23:54 EDT

CC:

TEXT: VZCZCNY0130

PP HQ NH

DE NY #0130 1822143

ZNY SSSSS

R 022112Z JUL 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

IN ADDITION TO THE ABOVE,

b6
b7C
b7D
b7F

~~(S)~~ (U)

DURING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

[REDACTED]

~~(S)~~

(U)

~~SECRET~~

b6
b7C
b7D
b7F

SOURCE SAID THE

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~

(U)

SOURCE CAUTIONED THE NEW YORK CASE AGENT CONCERNING

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~

(U)

LEGAT, BONN, ADVISED THTA

[REDACTED]

[REDACTED]

ADMINISTRATIVE

~~SECRET~~

PAGE THREE DE NY 0130 ~~SECRET~~ SECTION 2 OF 2

SOURCE PROVIDING THE ABOVE INFORMATION IS ~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN. FOR INFORMATION.

~~C BY G-3; DESL: GADR~~

BT

#0130

NNNN

-----END OF DOCUMENT-----

OUTBOX.5 (#6687)

TO: HQ2 @ SAMNET-EMH

~~SECRET~~

10.21

TELETYPE

~~SECRET~~
FBI
PRIORITY

UNCLAS E F T O

7/8/85

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-02-2017 BY: b6
b7CPRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY~~DIRECTOR FBI~~ ()
ATTN: SUPV. 01592
FCU, DIVISION SIXb6
b7CBT
UNCLAS E F T OMARCH RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.RENYTEL TO DIRECTOR JULY 2, 1985 AND NYTELCALLS TO BUREAU,
LEGAT, BONN, AND NEW HAVEN JUNE 21 - JULY 1, 1985.PURPOSE OF THIS TELETYPE IS TO ADVISE BUREAU AND LEGAT, BONN OF
DEVELOPMENTS IN CAPTIONED MATTER. THE BELOW INFORMATION, CAN BE
DISSEMINATED TO BY LEGAT, BONN, IF
NECESSARY.

b7D

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~221-01
CLASSIFIED BY
REASON: 1.5 (C-1)
DECLASSIFY ON: X 1 6
01-081b6
b7C1 - New York
1 - Supervisor C-1
WMM:tb014V3
(2) RVRApproved: SLH/lp Transmitted 152NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOMWP Initials: CM~~SECRET~~b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
JUL 9 1985	
	

~~SECRET~~

A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

(U)

[REDACTED] (S)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

(U)

[REDACTED] (S)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)
AT THE [REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

AT THE CONCLUSION OF [REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

b7D
b7F

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

BUREQU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, BONN FOR INFORMATION.

~~SECRET~~

OUTBOX.4 (#7149)

~~SECRET~~

TO: WOI @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: PRIORITY/122

DATE: 9 JUL 85 01:59:16 EDT

CC:

TEXT: VZCZONY0152

PP HQ

DE NY #0152 190014Z

ZNY UUUUU

Z 090122Z JUL 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIVISION SIX

b6
b7C

BT

UNCLAS E F T O

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X-1
01-08-01

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

MARCH RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FEW: XF;

RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

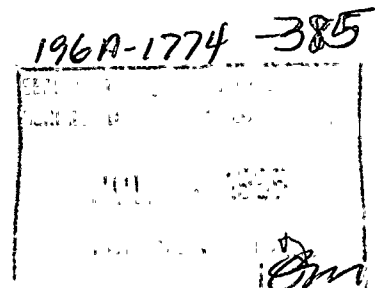
RENYTEL TO DIRECTOR JULY 2, 1985 AND NYTELCALLS TO BUREAU.

LEGAT, BONN, AND NEW HAVEN JUNE 21 - JULY 1, 1985.

PURPOSE OF THIS TELETYPE IS TO ADVISE BUREAU AND LEGAT, BONN OF
DEVELOPMENTS IN CAPTIONED MATTER. THE BELOW INFORMATION CAN BE
DISSEMINATED TO [REDACTED] BY LEGAT, BONN, IF
NECESSARY.

b7D

~~SECRET~~



~~SECRET~~

A RELIABLE AND SENSITIVE

SOURCE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b7D
b7F

AT THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

AT THE CONCLUSION OF

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

PAGE FOUR DE NY 0152 UNCLAS E F T

~~SECRET~~

ADMINISTRATIVE

SOURCE PROVIDING THE ABOVE INFORMATION IS

[REDACTED] (S) (U)

b7D
b7E

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN FOR INFORMATION.

BT

#0152

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

Memorandum



To : ADIC, NEW YORK (196A-1774) (P)

Date 7/19/85

From : SA [redacted] (C-1) b6
b7C

Subject : MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
RICO; FBW; MF; TE
OO: NEW YORK

On 7/19/85, [redacted]
[redacted] New Jersey advised
the following regarding MARC RICH and PINCUS GREEN.

b6
b7C

[redacted] advised that he knew RICH and
GREEN quite well when they were in New York. He
has not seen either of them since the fall of
1983.

b6
b7C

[redacted] all the world conferences
regarding the oil industry. Neither RICH nor
GREEN has attended any of them.

b6
b7C

RICH and GREEN are actively trading in the
Middle East and North Sea. Nobody would do business
with them until they plead guilty. Now they are
very active and conducting business without any
problems.

[redacted] is not aware of RICH or GREEN leaving
Switzerland.

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

01-081

RVR:mmm
(1)

b6
b7C

380

196 A-1774

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 22 1985	
NEW YORK	
RVR	

[REDACTED]

b7D

On July 18, 1985, [REDACTED] furnished the following
to Special Agent [REDACTED]

b6
b7C
b7D

Source stated a [REDACTED]

[REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]

01-081

b6
b7C

196-1774-387

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
JUL 22 1985	
[REDACTED]	YORK IRVING

b6
b7C

[redacted]

b7D

On August 22, 1985, [redacted] furnished the following information to Special Agents [redacted] and [redacted]

b6
b7C
b7D

Source advised [redacted]

b6
b7C
b7D

Source told [redacted]

b6
b7C
b7D

Source will continue [redacted] and will keep the NYO advised.

b7D

THE INFORMATION FURNISHED BY THE SOURCE IS SINGULAR AND DISSEMINATION OF THE INFORMATION COULD DISCLOSE THE IDENTITY OF THE SOURCE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [redacted]

b6
b7C

07081

196 - 1774 - 388

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 28 1985	
FBI - NEW YORK	

RVR

196-1774-381

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 05 1985	
FBI - NEW YORK	

CM

back of page

[REDACTED] b7D

On [REDACTED] Assistant
United States Attorney (AUSA) [REDACTED] Southern District
of New York (SDNY), Special Agents [REDACTED]
[REDACTED] of the New York office of the Federal Bureau of Investigation
(FBI) [REDACTED] AUSA [REDACTED]
[REDACTED]
[REDACTED]

b6
b7C
b7D

[REDACTED] The
source stated he would assist the office of the United States
Attorney and the FBI in this matter in any way possible.

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED] OF-08

[REDACTED]

b7D

On September 9, 1985, [REDACTED] furnished the following information to Special Agents [REDACTED]
[REDACTED]

b6
b7C
b7D

Source said [REDACTED]
[REDACTED]

THE SOURCE OF THIS INFORMATION IS SINGULAR AND DISSEMINATION OF THIS INFORMATION COULD DISCLOSE THE IDENTITY OF THE SOURCE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]
0-001

b6
b7C

196-1774-390

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 10 1985	
FBI - NEW YORK	

[REDACTED]

b7D

On September 19, 1985, [REDACTED] furnished the following to Special Agent [REDACTED]

b6
b7C
b7D

Source advised [REDACTED]

[REDACTED]

Source said [REDACTED]

[REDACTED]

b6
b7C
b7D

Source said [REDACTED]

[REDACTED]

b6
b7C
b7D

SOURCE OF THIS INFORMATION IS SINGULAR AND DISSEMINATION OF SUCH MIGHT DISCLOSE IDENTITY OF SOURCE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]
01-081

b6
b7C

196-1774-391

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 24 1985	
FBI - NEW YORK	

[Signature]

FD-36 (Rev. 5-22-78)

b6
b7C

110441

FBI

~~SECRET~~
PRIORITY

TELETYPE

UNCLAS E F T O

9/28/85

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~3-15-81~~
~~CLASSIFIED BY [REDACTED]~~
~~REASON: 1.5 (2d)~~
~~DECLASSIFY ON: X 1, 6~~
01-081

b6
b7C

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI ()

ATTN: HAND CARRY TO SUPV. [REDACTED]

FCU, DIV. SIX

b6
b7C

BT

UNCLAS E F T O

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTELS TO DIRECTOR JUNE 11, 1985 AND JULY 2, 1985; NYTELCALLS
TO BUREAU, LEGAT, BONN, AND NEW HAVEN SEPTEMBER 3 - 26, 1985.

PURPOSE OF THIS TELETYPE IS TWOFOOLD. FIRST, TO ADVISE BUREAU,
LEGAT BONN AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER.
SECOND, TO REQUEST [REDACTED] SPECIAL AGENTS

b6
b7C
b7E

[REDACTED] (NEW YORK) AND [REDACTED] NEW HAVEN [REDACTED]

~~SECRET~~

1 - New York
1 - Supervisor C-1
WMM:tb026V3
(2)

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]~~
01-081

b6
b7C

Approved: Jam

Transmitted

271/104
105

196A-1774-32
SEARCHED INDEXED
SERIALIZED FILED

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

SEP 30 1985

WP Initials: lis

b6
b7C

[REDACTED]

RUP

[REDACTED] YORK by

~~SECRET~~

[REDACTED]

b7D
b7E

THE FOLLOWING INFORMATION CAN BE DISSEMINATED TO [REDACTED]
[REDACTED] BY LEGAT, BONN.

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b7D
b7F

DURING THE [REDACTED]
[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

ONE OF THE

b6
b7C
b7D
b7F

[REDACTED]

SINCE THE

b6
b7C
b7D
b7F

[REDACTED]

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE IDENTIFIED

[REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

[REDACTED]

(U)

~~(S)~~

SOURCE LEARNED

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

FOLLOWING THE

b6
b7C
b7D
b7F

[REDACTED]

(U)

~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

ON SEPTEMBER 25, 1985, SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

ON SEPTEMBER 26, 1985, SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

FOLLOWING RECEIPT OF [Redacted] SOURCE SAID [Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

SOURCE ADVISED [Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

(U)

[REDACTED]

b6
b7C
b7D
b7F

SOURCE ADVISED

[REDACTED]

(U)

[REDACTED]

SOURCE WAS QUESTIONED ABOUT

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U)

[REDACTED]

b6
b7C
b7D
b7F

FINALLY. SOURCE CAUTIONED THAT

[REDACTED]

[REDACTED]

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

[Redacted] (S) (U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION.

[Redacted]

BASED ON ABOVE INFORMATION AND

b6
b7C
b7D
b7F
b7E

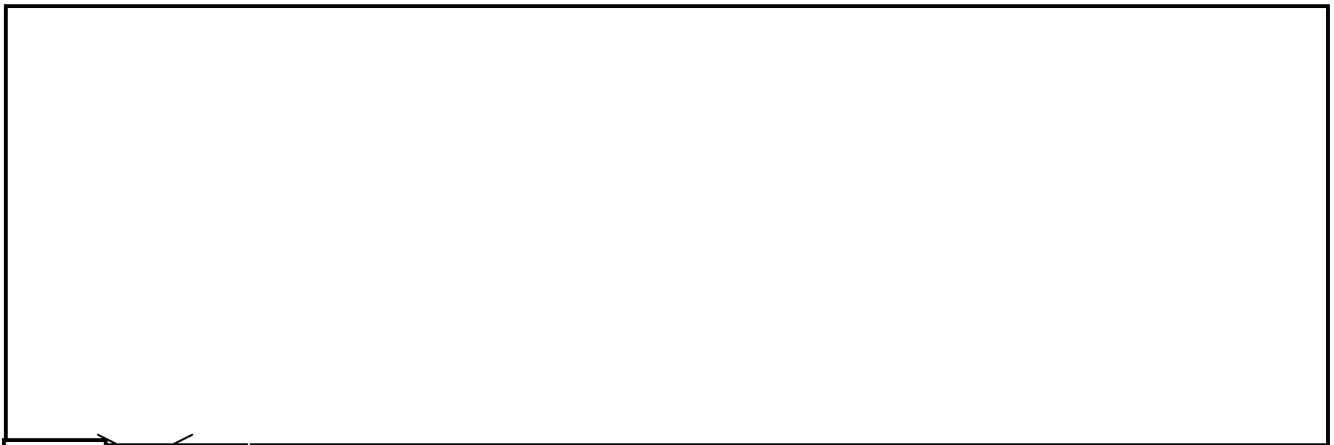
[Redacted]

[Redacted] (S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E



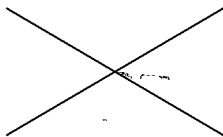
☐ ~~(S)~~ (U)

BOTH AGENTS ☐

b6
b7C
b7E

☐ SAC, DIVISION II, NEW YORK AND LEGAT, BONN, CONCUR WITH ☐
☐ SAS ☐ BUREAU IS REQUESTED TO
AUTHORIZE ☐

~~SECRET~~

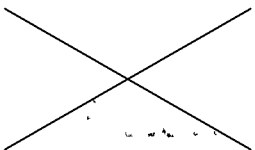


EXTREME CAUTION MUST BE TAKEN WHEN [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)
EXTREME CAUTION MUST ALSO BE TAKEN NOT TO DIVULGE INFORMATION
IF IT BECOMES NECESSARY TO [REDACTED]
[REDACTED] ANY INFORMATION DIVULGED COULD MAKE [REDACTED] SOURCE'S
RELATIONSHIP WITH THE FBI. BOTH SOURCE AND FAMILY WILL BE IN
PHYSICAL DANGER IF SOURCE'S EXISTENCE AND RELATIONSHIP WITH THE FBI
BECOME KNOWN [REDACTED] FBI CASES WILL BE IN
JEOPARDY. ~~(S)~~ (U)

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN, FOR INFORMATION.



b6
b7C

OUTBOX. 4 (#3303)

TO: HQ1 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 271/104 PRIORITY

DATE: 29 SEP 85 02:19:39 EDT

CC:

TEXT: VZCZCNYD104

PP HQ

DE NY #0104 2720209

ZNY UUUUU

R 290147Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

3-15-01
CLASSIFIED BY [REDACTED]

REASON: 1.5 (2, 8)

DECLASSIFY ON: X 1, 10

01-081

b6
b7C

ATTN: HAND CARRY TO SUPV. [REDACTED]

FCU, DIV. SIX

BT

UNCLAS E F T O SECTION 1 OF 2

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTELS TO DIRECTOR JUNE 11, 1985 AND JULY 2, 1985; NYTELCALLS
TO BUREAU, LEGAT, BONN, AND NEW HAVEN SEPTEMBER 3 - 26, 1985.

PURPOSE OF THIS TELETYPE IS TWOFOLD. FIRST, TO ADVISE BUREAU,
LEGAT BONN AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER.

b6
b7C
b7E

SECOND, TO REQUEST [REDACTED]

SPECIAL AGENTS

[REDACTED] (NEW YORK) AND [REDACTED]

NEW HAVEN [REDACTED]

196A-1774-392

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 20 1985	
FBI-NEW YORK	

Em

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]

~~SECRET~~

b6
b7C

[REDACTED]

DAYS.

b7D
b7E

THE FOLLOWING INFORMATION CAN BE DISSEMINATED TO [REDACTED]

[REDACTED] BY LEGAT, BONN.

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

DURING THE [REDACTED]

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

[REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

ONE OF THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SINCE THE

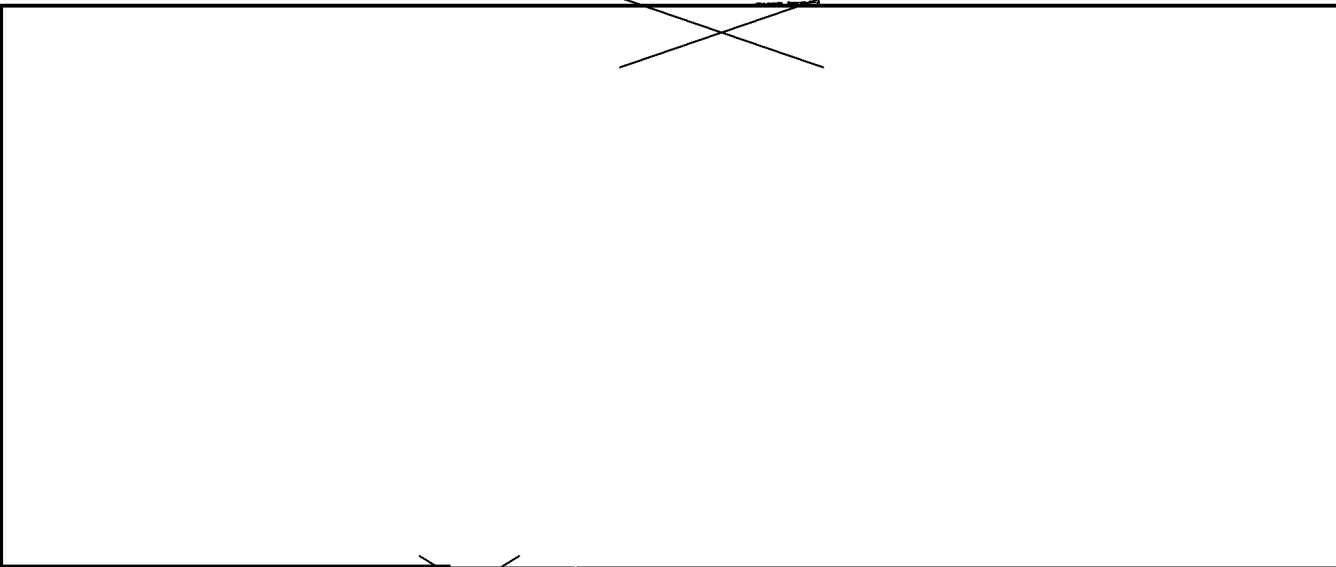
[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~



b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED



b6
b7C
b7D
b7F



~~(S)~~ (U)

~~SECRET~~

SOURCE IDENTIFIED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7F

~~(S)~~ (U)

FOLLOWING THE

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON SEPTEMBER 25, 1985, SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0104

~~SECRET~~

OUTBOX.5 (#3304)

TO: HQ1 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 271/105 PRIORITY

DATE: 29 SEP 85 02:21:39 EDT

CC:

TEXT: VZCZCNYD105

PP HQ

DE NY #0105 2720209

ZNY UUUUU

R 290147Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

BT

UNCLAS E F T O SECTION 2 OF 2

[REDACTED]

b6
b7C
b7D
b7F

ON SEPTEMBER 26, 1985, SOURCE ADVISED [REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

FOLLOWING RECEIPT OF [REDACTED]

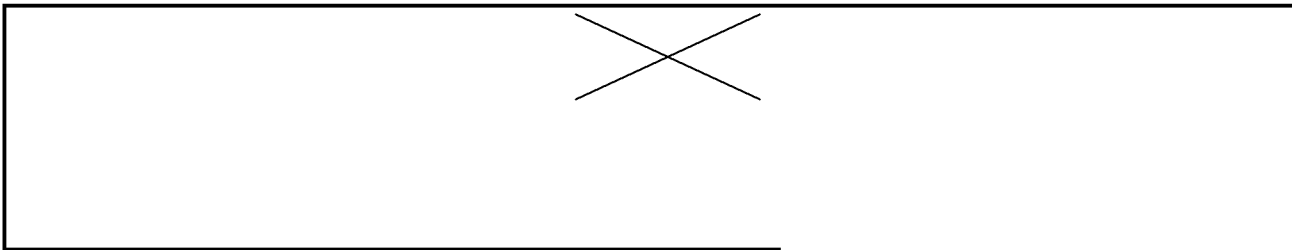
SOURCE SAID [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

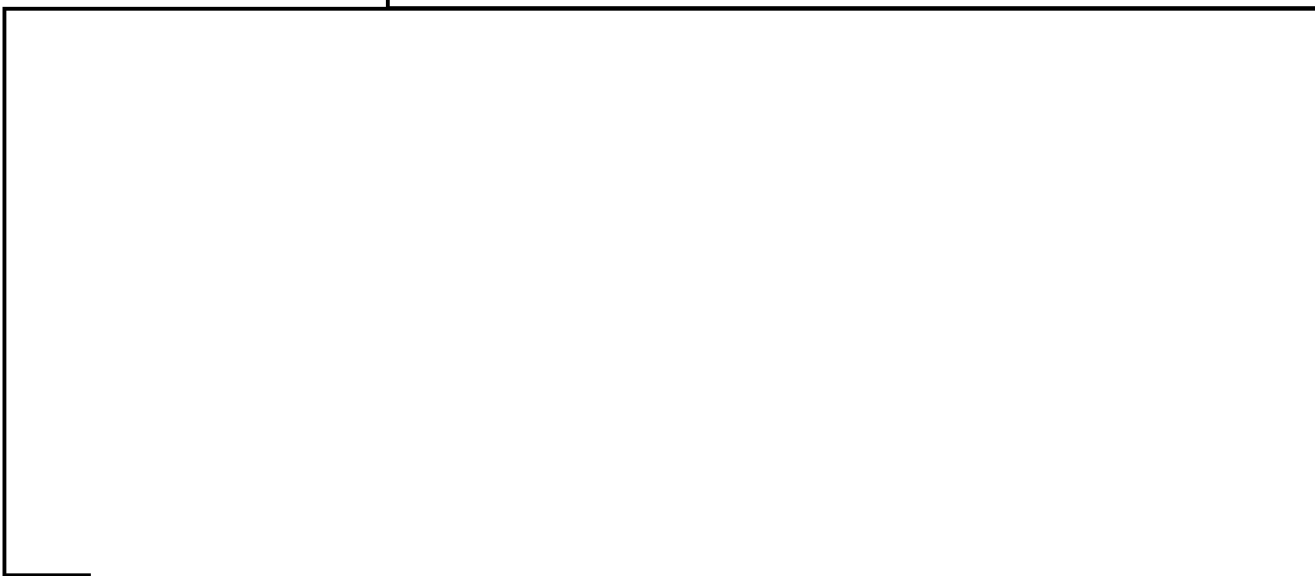
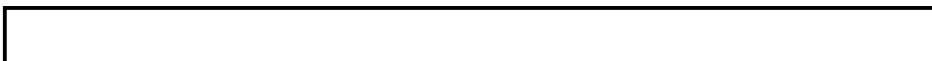


b6
b7C
b7D
b7F



~~(S)~~ (U)

SOURCE ADVISED

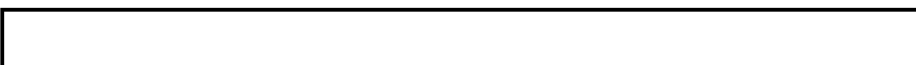


b6
b7C
b7D
b7F



~~(S)~~ (U)

SOURCE ADVISED



~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

SOURCE WAS QUESTIONED ABOUT

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

FINALLY, SOURCE CAUTIONED THAT

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~(U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION.

BASED ON ABOVE INFORMATION AND

b6
b7C
b7D
b7F
b7E

~~(S)~~(U)

~~SECRET~~

b6
b7C
b7D
b7F
b7E

BOTH AGENTS [REDACTED]

SAC, DIVISION II, NEW YORK AND LEGAT, BONN. CONCUR WITH [REDACTED]

b6
b7C
b7E

[REDACTED] SAS [REDACTED]

BUREAU IS REQUESTED TO

AUTHORIZE [REDACTED]

EXTREME CAUTION MUST BE TAKEN WHEN [REDACTED]

b6
b7C
b7E

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

PAGE SIX DE NY 0105 UNCLAS E F T O SECTION 2 OF 2

EXTREME CAUTION MUST ALSO BE TAKEN NOT TO DIVULGE INFORMATION

~~SECRET~~

IF IT BECOMES NECESSARY TO [REDACTED]

[REDACTED] ANY INFORMATION DIVULGED COULD MAKE [REDACTED] SOURCE'S

RELATIONSHIP WITH THE FBI. BOTH SOURCE AND FAMILY WILL BE IN
PHYSICAL DANGER IF SOURCE'S EXISTENCE AND RELATIONSHIP WITH THE FBI

BECOME KNOWN [REDACTED] FBI CASES WILL BE IN

JEOPARDY. ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT. BONN, FOR INFORMATION.

BT

#0105

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

11029

FD-36 (Rev. 5-22-78)

b6
b7C

FBI

TELETYPE

~~SECRET~~
PRIORITY

~~Secret~~
UNCLAS

9/28/85

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()
ATTN: HAND CARRY TO SUPV. [redacted] FCU, DIV. SIX
PRIORITY
NEW HAVEN ()
ATTN: SA [redacted]
BT

b6
b7C

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTELS TO DIRECTOR JUNE 11, 1985 AND JULY 2, 1985; NYTELCALLS
TO BUREAU, LEGAT, BONN, AND NEW HAVEN SEPTEMBER 3-26, 1985.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor C-1
WMM:tb025V3
(2)

221-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1.6
01-081

b6
b7C

Approved: qum

Transmitted: 271/106
107
108

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: qum

~~SECRET~~

b6
b7C

RUR

SEP 28 1985

NEW YORK
qum

~~SECRET~~

PURPOSE OF THIS TELETYPE IS TWOFOLD. FIRST, TO ADVISE BUREAU, LEGAT BONN AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER. SECOND, TO REQUEST [REDACTED] FOR SPECIAL AGENTS

[REDACTED] (NEW YORK) AND [REDACTED] (NEW HAVEN) TO [REDACTED] LEGAT, BONN [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] DUE TO THE NATURE OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT BONN WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED]
[REDACTED] (~~S~~) (U)
DURING THE [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

ONE OF THE [REDACTED]
[REDACTED]
[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

SINCE THE [REDACTED] (~~S~~) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

SOURCE IDENTIFIED

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE LEARNED

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING THE

[REDACTED]

(U) ~~(S)~~

b6
b7C
b7D
b7F

SOURCE ADVISED

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

ON SEPTEMBER 25, 1985, SOURCE ADVISED

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

ON SEPTEMBER 26, 1985, SOURCE ADVISED [REDACTED]

[REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

FOLLOWING RECEIPT OF [REDACTED] SOURCE SAID [REDACTED]

[REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

SOURCE ADVISED [REDACTED]

[REDACTED] (U) (~~S~~)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED [Redacted]

[Redacted]

~~(S)~~ (U)

SOURCE WAS QUESTIONED ABOUT [Redacted]

b6
b7C
b7D
b7F

[Redacted]

(U)

~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

FINALLY, SOURCE CAUTIONED THAT

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION.

b6
b7C

LEGAT, BONN, IDENTIFIED

[REDACTED] (U) ~~(S)~~

LEGAT IS ATTEMPTING TO DETERMINE IF

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

JUSTIFICATION FOR

b6
b7C
b7D
b7F
b7E

SA SOURCE CASE AGENT. SA HAS
BEEN WORKING WITH THE SOURCE

SA

~~SECRET~~

~~SECRET~~

SA [] IS THE ORIGINAL NEW YORK CASE AGENT OF THE "MARC RICH" CASE. BASED ON SA [] EFFORTS, FINES OF \$200 MILLION WERE IMPOSED ON AND PAID BY RICH'S COMPANIES AS A SETTLEMENT OF THE CRIMINAL CASE AGAINST THE RICH COMPANIES. SA [] IS THE ONLY FBI AGENT WHO HAS MET AND CAN IDENTIFY BOTH SUBJECTS. SA [] MUST BE PRESENT FOR AN []

b6
b7C
b7E

[]

BOTH AGENTS []

b6
b7C
b7E

[] SAC, DIVISION II, NEW YORK AND LEGAT, BONN, CONCUR WITH []
[] SAS [] BUREAU IS REQUESTED TO
AUTHORIZE []

WARNING:

b7D
b7F

SOURCE PROVIDING THE ABOVE INFORMATION IS [] (S) (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF

~~SECRET~~

~~SECRET~~

SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

EXTREME CAUTION MUST BE TAKEN WHEN [REDACTED]

b6
b7C
b7E

[REDACTED] ~~(S)~~ (U)
BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT BONN FOR INFORMATION.

ADMINISTRATIVE:

FOR INFORMATION OF THE BUREAU, SOURCE IS [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] (U) ~~(S)~~

~~SECRET~~

~~SECRET~~

BONN ADVISED AT LEAST

~~(S)~~

b7D
b7F
b7E

(U)

OUTBOX.6 (#3305)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

b6
b7C

FROM: NY @ SAMNET-EMH

SUBJECT: 271/106 PRIORITY

~~SECRET~~

DATE: 29 SEP 85 02:23:48 EDT

CC:

TEXT: VZCZCNYD106

PP HQ NH

DE NY #0106 2720212

ZNY UUUUU

R 290146Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: HAND CARRY TO SUPV. FCU, DIV. SIX

FBI NEW HAVEN PRIORITY

b6
b7C

ATTN: SA

BT

~~UNCLAS~~ SECTION 1 OF 3

2-28-01
CLASSIFIED BY

REASON: 1.5 (C, d)

DECLASSIFY ON: X 1, 6

01-081

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTELS TO DIRECTOR JUNE 11, 1985 AND JULY 2, 1985; NYTELCALLS
TO BUREAU, LEGAT, BONN, AND NEW HAVEN SEPTEMBER 3-26, 1985.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

~~SECRET~~

196A-1774 - 393

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
SEP 30 1985	
FBI - NEW YORK	

gm

~~SECRET~~

PURPOSE OF THIS TELETYPE IS ~~TO ADVISE~~ FIRST. TO ADVISE BUREAU.

LEGAT BONN AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER.

SECOND. TO REQUEST [REDACTED] FOR SPECIAL AGENTS

[REDACTED] (NEW YORK) AND

[REDACTED] (NEW HAVEN) TO

[REDACTED] LEGAT.

BONN [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] DUE TO THE NATURE OF SOME OF THE BELOW INFORMATION, IT IS

NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO

[REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT

BONN WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

REFERENCED NEW YORK TELETYPES PROVIDED DETAILED INFORMATION

OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7E

~~(S)~~(U)

~~SECRET~~

b7D
b7F

~~(S)~~ (U)

DURING THE

b7D
b7F

~~(S)~~ (U)

ONE OF THE

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

SINCE THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE IDENTIFIED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE LEARNED

b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

FOLLOWING THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0106

~~SECRET~~

OUTBOX.7 (#3306)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 271/107 PRIORITY

DATE: 29 SEP 85 02:25:38 EDT

CC:

TEXT: VZCZCNYD107

PP HQ NH

DE NY #0107 2720212

ZNY UUUUU

R 290146Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~UNCLAS~~ SECTION 2 OF 3

ON SEPTEMBER 25, 1985, SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON SEPTEMBER 26, 1985, SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

FOLLOWING RECEIPT OF

SOURCE SAID

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE WAS QUESTIONED ABOUT

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

FINALLY, SOURCE CAUTIONED THAT

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE COULD NOT PROVIDE ANY ADDITIONAL INFORMATION.

LEGAT, BONN, IDENTIFIED

LEGAT IS ATTEMPTING TO DETERMINE IF

LEGAT STATED

LEGAT DESCRIBED

~~(S)~~ (U)

b6
b7C
b7D

~~SECRET~~

b6
b7C
b7D

~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

BASED ON ABOVE INFORMATION AND

~~(S)~~ (U)

~~SECRET~~

~~(S)~~ (U)

b6
b7C
b7D
b7E
b7F

~~(S)~~ (U)

JUSTIFICATION FOR

SA [] SOURCE CASE AGENT. SA [] HAS

BEEN WORKING WITH THE SOURCE FOR

b6
b7C
b7D
b7E
b7F

~~(S)~~ (U)

SA [] IS THE ORIGINAL NEW YORK CASE AGENT OF THE "MARC RICH"
CASE. BASED ON SA [] EFFORTS, FINES OF \$200 MILLION WERE

b6
b7C

BT

#0107

~~SECRET~~

OUTBOX.8 (#3307)

TO: HQ1 @ SAMNET-EMH. NH @ SAMNET-EMH

~~SECRET~~

FROM: NY @ SAMNET-EMH

SUBJECT: 271/108 PRIORITY

DATE: 29 SEP 85 02:27:40 EDT

CC:

TEXT: VZCZCNYD108

PP HQ NH

DE NY #0108 2720212

ZNY UUUUU

R 290146Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~UNCLAS~~ SECTION 3 OF 3

IMPOSED ON AND PAID BY RICH'S COMPANIES AS A SETTLEMENT OF THE

CRIMINAL CASE AGAINST THE RICH COMPANIES. SA [] IS THE ONLY FBI

AGENT WHO HAS MET AND CAN IDENTIFY BOTH SUBJECTS. SA [] MUST BE

PRESENT FOR AN []

b6
b7C
b7E

BOTH AGENTS []

b7E

SAC, DIVISION II, NEW YORK AND LEGAT, BONN. CONCUR WITH []

~~SECRET~~

☐ SAS
AUTHORIZE ☐

☐ BUREAU IS REQUESTED TO

b6
b7C
b7E

WARNING:

SOURCE PROVIDING THE ABOVE INFORMATION IS ☐

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

EXTREME CAUTION MUST BE TAKEN WHEN ☐

b6
b7C
b7E

☐ ~~(S)~~ (U)

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT BONN FOR INFORMATION.

ADMINISTRATIVE:

~~SECRET~~

~~SECRET~~

FOR INFORMATION OF THE BUREAU, SOURCE IS

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~(U)

BT

#0108

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

OUTBOX.22 (#3400)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 272/144 PRIORITY

DATE: 30 SEP 85 22:23:56 EDT

CC:

TEXT: VZCZCNY0144

PP HQ NH

DE NY #0144 2732152

ZNY UUUUU

R 302141Z SEP 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: (HAND CARRY TO SUPV. [REDACTED])

FCU, DIV. SIX)

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

b6
b7C

BT

~~UNCLAS E F T O~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

~~2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X~~

~~01-081~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK.

RENYTEL TO DIRECTOR, SEPTEMBER 28, 1985, AND NYTELCALS TO
BUREAU, LEGAT, BONN. AND NEW HAVEN SEPTEMBER 30, 1985.

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b7D
b7E

394

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1 1985	
FBI NEW YORK	

cm

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

REFERENCED TELETYPE NOTED AN

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON SEPTEMBER 29, 1985, SOURCE TELEPHONICALLY CONTACTED SOURCE

CASE AGENT

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

ACCORDING TO SOURCE.

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

AFTER

b6
b7C
b7D
b7F

IN SUMMARY, EXTENSIVE BACKGROUND INVESTIGATION CONCERNING

b7D
b7F

~~SECRET~~

~~SECRET~~

b7D
b7F

~~(S)~~ (U)

BASED ON THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE PROVIDING THE ABOVE INFORMATION IS

~~(S)~~ (U)

b7D
b7F

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

~~SECRET~~

~~SECRET~~

[REDACTED] SAS [REDACTED]

(NEW YORK) AND [REDACTED]

(NEW HAVEN) IS BEING HELD IN ABEYANCE UNTIL FURTHER DISCUSSIONS ARE
HELD WITH FBIHQ; LEGAT, BONN AND SOURCE. DUE TO [REDACTED]

[REDACTED] SOURCE WILL CONTACT SA [REDACTED]

[REDACTED] (U)

b6
b7C
b7D
b7F
b7E

REQUEST OF BUREAU

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN, FOR INFORMATION.

BT

#0144

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

10.29

FD-36 (Rev. 5-22-78)

b6
b7C

~~SECRET~~ FBI

TELETYPE

PRIORITY

UNCLAS E F T O

9/30/85

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()

ATTN: (HAND CARRY TO SUPV. [REDACTED] 2223 FCU-DIV.SIX)
NEW HAVEN ()
ATTN: SA [REDACTED]

b6
b7C

BT

UNCLAS E F T O

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NEW YORK.

RENYTEL TO DIRECTOR, SEPTEMBER 28, 1985, AND NYTELCALS TO
BUREAU, LEGAT, BONN, AND NEW HAVEN SEPTEMBER 30, 1985.

b7D
b7F

REFERENCED NEW YORK TELETYPE PROVIDED DETAILED INFORMATION
OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED] (S)

2-21-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (P)
DECLASSIFY ON: X 1

- ① - New York
1 - Supervisor C-1

01-08-1 ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

WMM:jk025V3
(2)

b6
b7C

196A-1774-394

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1 1985	
NEW YORK	

Approved: [Signature]

Transmitted

272 144

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [Signature]

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

REFERENCED TELETYPE NOTED

b6
b7C
b7D
b7F

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(S)~~ (U)

ON SEPTEMBER 29, 1985, SOURCE TELEPHONICALLY CONTACTED SOURCE
CASE AGENT [REDACTED] SOURCE ADVISED [REDACTED]

[REDACTED]
[REDACTED] ~~(S)~~ (U)

ACCORDING TO SOURCE, [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(U)~~ ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

AFTER [REDACTED]

[REDACTED]

~~(S)~~ (U)

IN SUMMARY, EXTENSIVE BACKGROUND INVESTIGATION CONCERNING

b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

BASED ON THE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE PROVIDING THE ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITIY OF
SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY
WILL BE IN PHYSICAL JEOPARDY.

b6
b7C
b7D
b7F
b7E

[REDACTED] SAS [REDACTED] (NEW YORK) AND [REDACTED]
(NEW HAVEN) IS BEING HELD IN ABEYANCE UNTIL FURTHER DISCUSSIONS ARE
HELD WITH FBIHQ; LEGAT, BONN AND SOURCE. DUE TO [REDACTED]
[REDACTED] SOURCE WILL CONTACT SA [REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

REQUEST OF BUREAU

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN, FOR INFORMATION.

~~SECRET~~

~~SECRET~~

WMM:mjw

NY 196A-1774

The following information was provided by [redacted] to
Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION,
New York City (NYC), on August 15, 1985.

b6
b7C
b7D
b7F

Source advised [redacted]

[redacted]

[redacted] (S)(U)

In addition to the [redacted]

b6
b7C
b7D
b7F

[redacted] (S)(U)

b6
b7C

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X-1 01-08-1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

~~SECRET~~

196-1774-395
SEARCHED
SERIALIZED
INDEXED
FILED
OCT 2 1985
FBI-NEW YORK
[signature]

~~SECRET~~

WMM:ldp

NY 196A-1774

b6
b7C
b7D
b7F

The following information was provided by [redacted] to
Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION
(FBI), New York, New York, on August 15, 1985:

b6
b7C
b7D
b7F

Source overheard a recent conversation between [redacted]

The following is a summary of the information source learned regarding [redacted] (S) (U)

Source said [redacted]

b6
b7C
b7D
b7F

Source learned that [redacted]

b6
b7C
b7D
b7F

Source said [redacted]

b6
b7C
b7D
b7F

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1
01-061

b6
b7C

~~SECRET~~

196-1774-306
OCT 1 1985
FBI-NC
[signature]

~~SECRET~~

NY 196A-1774

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

Source learned from [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

Source learned that [REDACTED]

b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

Source also learned from [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE

b7D
b7F
b7E

Information from [REDACTED] ~~(S)~~ (U) is highly singular in nature and disclosure of the information could expose source's identity.

Source [REDACTED] Source is [REDACTED]

[REDACTED] If source's identity is disclosed, source and family will be in physical danger and investigations will be jeopardized.

~~SECRET~~

~~SECRET~~

WMM:ldp

NY 196A-1774

b6
b7C
b7D
b7F

The following information was provided by [redacted] to [redacted] (U)
Special Agents [redacted] FEDERAL
BUREAU OF INVESTIGATION (FBI), New York City, on August 27, 1985.

Source learned that [redacted]

b7D
b7F

[redacted]

[redacted] (S) (U)

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

b6
b7C

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1 01-064

~~SECRET~~

196-1774-397

SEARCHED	INDEXED
SERIALIZED	FILED
AUG 27 1985	
FBI-NEW YORK	

Em

~~SECRET~~

WMM:ldp

NY 196A-1774

(U) On September 3, 1985, [redacted] provided the following information to Special Agent [redacted] FEDERAL BUREAU OF INVESTIGATION, New York City.

b6
b7C
b7D
b7F

Source overheard a recent conversation between [redacted]

(U) [redacted] The following is a summary of information source learned regarding [redacted] (S)

b6
b7C
b7D
b7F

Source said [redacted]

(U)

Source learned that [redacted]

(U)

b6
b7C
b7D
b7F

(U)

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1
01-081

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

~~SECRET~~

196-1774-398

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1985	
FBI-NEW YORK	

Om

~~SECRET~~

NY 196A-1774

ADMINISTRATIVE

Information from [redacted] is highly singular in nature and disclosure of the information could expose source's identity. Source [redacted] Source is [redacted] [redacted] If source's identity is disclosed, source and family will be in physical danger and investigations will be jeopardized.

b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

WMM:mjw

NY 196A-1774

On September 9, 1985, [redacted] ~~(S)~~ (U) provided the following information to Special Agents [redacted]
[redacted] FEDERAL BUREAU OF INVESTIGATION, New York City:

b6
b7C
b7D
b7F

Source learned that [redacted]

[redacted]

b7D
b7F

ADMINISTRATIVE

Information from [redacted] ~~(S)~~ (U) is highly singular in nature and disclosure of the information could expose source's identity. Source [redacted] Source is [redacted] If source's identity is disclosed, source and family will be in physical danger and investigations will be jeopardized.

b7D
b7F
b7E

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

~~2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C)
DECLASSIFY ON: X 1
01/01~~

b6
b7C

~~SECRET~~

196-1774-399

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1985	
FBI - NEW YORK	

Om

~~SECRET~~

WMM:mjw

NY 196A-1774

b6
b7C
b7D
b7F

On September 12, 1985, [REDACTED] provided the following information to Special Agent [REDACTED] FEDERAL BUREAU OF INVESTIGATION, New York City:

Source advised [REDACTED]

b6
b7C
b7D
b7F

ADMINISTRATIVE

Information from [REDACTED] is highly singular in nature and disclosure of the information could expose source's identity. Source [REDACTED] Source is [REDACTED] If source's identity is disclosed, source and family will be in physical danger and investigations will be jeopardized.

b7D
b7F
b7E

Assistant United States Attorney [REDACTED] Southern District of New York, was advised of the above information. Due to [REDACTED]

b6
b7C
b7E

2-21-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C)
DECLASSIFY ON: X1
01-081

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

~~SECRET~~

196-1774-400

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 20 1985	
FBI-NEW YORK	

[Signature]

~~SECRET~~

WMM:mjw

NY 196A-1774

On September 19, 1985, [redacted] (S) (U) provided the following information to Special Agents [redacted]
[redacted] FEDERAL BUREAU OF INVESTIGATION, New York City:

b6
b7C
b7D
b7F

Source, [redacted]

[redacted]

b6
b7C
b7D
b7F

Source said [redacted]

[redacted]

b6
b7C
b7D
b7F

Source was told by [redacted]

[redacted]

b6
b7C
b7D
b7F

ADMINISTRATIVE

Information from [redacted] (S) (U) is highly singular in nature and disclosure of the information could expose source's identity. Source [redacted] Source is [redacted]

b7D
b7F
b7E

If source's identity is disclosed, source and family will be in physical danger and investigations will be jeopardized.

2-21-01
CLASSIFIED BY: [redacted]

REASON: 1.5 (C)
DECLASSIFY ON: X 1

01-081

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

~~SECRET~~

196-1774-401

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 1 1985	
FBI	

gm

INBOX.19 (#3117)

TO: NY @ SAMNET-EMH

FROM: HQT X @ SAMNET-EMH

SUBJECT: 299/1067 ROUTINE

DATE: 26 OCT 85 11:23:20 EST

CC:

TEXT: VZCZCHQ01067

RR NY

DE HQ #1067 2982218

ZNR UUUUU

R 252104Z OCT 85

FM DIRECTOR FBI

TO FBI NEW YORK ROUTINE

BT

UNCLAS

MARC RICH, FUGITIVE, FRAUD-BY WIRE, RACKETEER INFLUENCED AND
CORRUPT ORGANIZATION/TAX EVASION/ MAIL FRAUD OO: NEW YORK.

(NAME INDICES ONLY - NO FINGERPRINT RECORD.)

REBUCAL TO NEW YORK 10-10-85.

TELEPHONIC REQUEST RECEIVED FBI 10-8-85, FROM [REDACTED]

FBI OUT OF PHILADELPHIA, RESIDENT AGENCY, ALLENTOWN, FTS
346-4406, REQUESTING FOR BUREAU USE, TO BE CALLED AND THE
IDENTIFICATION RECORD SENT, OF MARC RICH, DESCRIBED AS WHITE
MALE, DATE OF BIRTH 12-18-34, PLACE OF BIRTH BELGIUM. THIS
SUBJECT MAY BE IDENTICAL WITH SUBJECT OF YOUR CASE. IN
REFERENCED TELEPHONE CONVERSATION, [REDACTED] ADVISED THAT
NO SUCH PERSON AS SPECIAL AGENT [REDACTED] HANDLING THIS CASE
AS INDICATED IN YOUR NCIC WANTED ENTRY NIC NUMBER [REDACTED]

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED] 01-061

b6
b7c

b6
b7c

b6
b7c

196B-1774-400

SEARCHED	INDEXED
SERIALIZED	FILED
OCT 28 1985	
FBI NEW YORK	
RMR	

PAGE TWO DE HQ 1067 UNCLAS

THEREFORE MODIFY THE MISCELLANEOUS FIELD IN YOUR NCIC WANTED
ENTRY TO EXCLUDE THE NAME OF SPECIAL AGENT ALSO MODIFY
YOUR NCIC WANTED ENTRY TO INCLUDE NEW YORK FIELD FILE NUMBER.

b6
b7c

BASED ON INFORMATION FURNISHED, CONDUCT LOGICAL FUGITIVE
INVESTIGATION. ADVISE THE POSTING SECTION, IDENTIFICATION
DIVISION, IF THIS INFORMATION ASSISTS IN LOCATING MARC RICH.
CLEAR OR CANCEL (CW OR XW) YOUR NCIC RECORD WHEN SUBJECT NO
LONGER WANTED, AND SUBMIT APPREHENSION TELETYPE TO
HEADQUARTERS.

BT

#1067

NNNN

INBOX.19 (#3117)

TO: NY @ SAMNET-EMH

FROM: HQT X @ SAMNET-EMH

SUBJECT: 299/1067 ROUTINE

DATE: 26 OCT 85 11:23:20 EST

CC:

TEXT: VZCZCHQ01067

RR NY

DE HQ #1067 2982218

ZNR UUUUU

R 252104Z OCT 85

FM DIRECTOR FBI

TO FBI NEW YORK ROUTINE

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

MARC RICH, FUGITIVE, FRAUD-BY WIRE, RACKETEER INFLUENCED AND
CORRUPT ORGANIZATION/TAX EVASION/ MAIL FRAUD OO: NEW YORK.

(NAME INDICES ONLY - NO FINGERPRINT RECORD.)

REBUCAL TO NEW YORK 10-10-85.

TELEPHONIC REQUEST RECEIVED FBI 10-8-85, FROM [REDACTED]

FBI OUT OF PHILADELPHIA, RESIDENT AGENCY, ALLENTOWN, FTS

346-4406, REQUESTING FOR BUREAU USE, TO BE CALLED AND THE

IDENTIFICATION RECORD SENT, OF MARC RICH, DESCRIBED AS WHITE

MALE, DATE OF BIRTH 12-18-34, PLACE OF BIRTH BELGIUM. THIS

SUBJECT MAY BE IDENTICAL WITH SUBJECT OF YOUR CASE. IN

REFERENCED TELEPHONE CONVERSATION, [REDACTED] ADVISED THAT

NO SUCH PERSON AS SPECIAL AGENT [REDACTED] HANDLING THIS CASE

AS INDICATED IN YOUR NCIC WANTED ENTRY NIC NUMBER [REDACTED]

b6
b7C

196-1774-402

INDEXED
FILED
OCT 26 1985
FBI - NEW YORK

THEREFORE MODIFY THE MISCELLANEOUS FIELD IN YOUR NCIC WANTED ENTRY TO EXCLUDE THE NAME OF SPECIAL AGENT [REDACTED] ALSO MODIFY YOUR NCIC WANTED ENTRY TO INCLUDE NEW YORK FIELD FILE NUMBER.

b6
b7C

BASED ON INFORMATION FURNISHED, CONDUCT LOGICAL FUGITIVE INVESTIGATION. ADVISE THE POSTING SECTION, IDENTIFICATION DIVISION, IF THIS INFORMATION ASSISTS IN LOCATING MARC RICH. CLEAR OR CANCEL (CW OR XW) YOUR NCIC RECORD WHEN SUBJECT NO LONGER WANTED, AND SUBMIT APPREHENSION TELETYPE TO HEADQUARTERS.

BT

#1067

NNNN

100-17741-11

CM

10.94

FBI

TELETYPE

ROUTINE

UNCLAS

10/30/85

ROUTINE

NEW YORK (196A-1774) () (C-1)

ROUTINE

~~DIRECTOR FBI~~ (1) 22:24 AP

ATTN: IDENTIFICATION DIVISION/POSTING SECTION

BT

UNCLAS

MARC RICH - FUGITIVE; FBW; RICO; TE; MF; 00: NEW YORK

REBUREAUCAL TO NEW YORK, DATED OCTOBER 10, 1985 AND TELETYPE
FROM BUREAU TO NEW YORK, DATED OCTOBER 26, 1985.

REQUEST OF THE BUREAU

NEW YORK REQUESTS IDENTIFICATION DIVISION/POSTING SECTION TO
MODIFY NCIC ENTRY RE MARC RICH FROM SPECIAL AGENT [REDACTED] TO
SPECIAL AGENT [REDACTED] ALSO INCLUDE NEW YORK FILE NUMBERb6
b7cALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED] 01881RVR
1 - New York
1 - Supervisor C-1
RVR:mn051V3
(2)b6
b7c

196-1774-403

SEARCHED	INDEXED
SERIALIZED	FILED
NOV - 4 1985	
NEW YORK	
RVR	

Approved: GH/EM Transmitted 305/115 Per NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.WP Initials: mh

196A-1774.

OUTBOX.1 (#3965)

TO: HQ1 @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 305/115 ROUTINE

DATE: 1 NOV 85 22:24:15 EST

CC:

TEXT: VZCZCNY0115

RR HQ

DE NY #0115 3052008

ZNY UUUUU

R 011709Z NOV 85

FM FBI NEW YORK (196A-1774) (C-1)

TO DIRECTOR FBI ROUTINE

ATTN: IDENTIFICATION DIVISION/POSTING SECTION

BT

UNCLAS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7C

MARC RICH - FUGITIVE; FBW; RICO; TE; MF; OO: NEW YORK

REBUREAUCAL TO NEW YORK, DATED OCTOBER 10, 1985 AND TELETYPE
FROM BUREAU TO NEW YORK, DATED OCTOBER 26, 1985.

REQUEST OF THE BUREAU

NEW YORK REQUESTS IDENTIFICATION DIVISION/POSTING SECTION TO
MODIFY NCIC ENTRY RE MARC RICH FROM SPECIAL AGENT [REDACTED]

SPECIAL AGENT [REDACTED] ALSO INCLUDE NEW YORK

196-1774-403

SERIALIZED	INDEXED
FILED	FILED
NOV - 4 1985	
FBI NEW YORK	

b6
b7C

PAGE TWO DE NY 0115 UNCLAS

196A-1774.

BT

#0115

NNNN

-----END OF DOCUMENT-----

-->

[REDACTED]

b7D

b6
b7C
b7D

On November 5, 1985, [REDACTED] provided the following information to Special Agents [REDACTED]

Source advised a [REDACTED]

[REDACTED]

b6
b7C
b7D

[REDACTED]

b7D

Source anticipates the [REDACTED]

[REDACTED]

Source believes if the [REDACTED]

b6
b7C
b7D

[REDACTED]

THE ABOVE INFORMATION SHOULD NOT BE DISSEMINATED WITHOUT PRIOR APPROVAL AS DISCLOSURE WILL IDENTIFY THE SOURCE.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-27-01 BY [REDACTED]

01-081

b6
b7C

196-1774-404

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 7 1985	
FBI-NEW YORK	

7

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 147

Page 4 ~ Referral/Consult;
Page 5 ~ Referral/Consult;
Page 13 ~ b6; b7C;
Page 15 ~ Referral/Direct;
Page 16 ~ Referral/Direct;
Page 17 ~ Referral/Direct;
Page 18 ~ Referral/Direct;
Page 19 ~ Referral/Direct;
Page 20 ~ Referral/Direct;
Page 21 ~ Referral/Direct;
Page 22 ~ Referral/Direct;
Page 23 ~ Referral/Direct;
Page 24 ~ Referral/Direct;
Page 25 ~ Referral/Direct;
Page 26 ~ Referral/Direct;
Page 27 ~ Referral/Direct;
Page 28 ~ Referral/Direct;
Page 29 ~ Referral/Direct;
Page 30 ~ Referral/Direct;
Page 31 ~ Referral/Direct;
Page 32 ~ Referral/Direct;
Page 33 ~ Referral/Direct;
Page 34 ~ Referral/Direct;
Page 35 ~ Referral/Direct;
Page 36 ~ Referral/Direct;
Page 37 ~ Referral/Direct;
Page 38 ~ Referral/Direct;
Page 39 ~ Referral/Direct;
Page 40 ~ Referral/Direct;
Page 41 ~ Referral/Direct;
Page 42 ~ Referral/Direct;
Page 43 ~ Referral/Direct;
Page 44 ~ Referral/Direct;
Page 45 ~ Referral/Direct;
Page 46 ~ Referral/Direct;
Page 47 ~ Referral/Direct;
Page 48 ~ Referral/Direct;
Page 49 ~ Referral/Direct;
Page 50 ~ Referral/Direct;
Page 51 ~ Referral/Direct;
Page 52 ~ Referral/Direct;
Page 53 ~ Referral/Direct;
Page 54 ~ Referral/Direct;
Page 55 ~ Referral/Direct;
Page 56 ~ Referral/Direct;
Page 57 ~ Referral/Direct;
Page 58 ~ Referral/Direct;
Page 59 ~ Referral/Direct;

Page 60 ~ Referral/Direct;
Page 61 ~ Referral/Direct;
Page 62 ~ Referral/Direct;
Page 63 ~ Referral/Direct;
Page 64 ~ Referral/Direct;
Page 65 ~ Referral/Direct;
Page 66 ~ Referral/Direct;
Page 67 ~ Referral/Direct;
Page 68 ~ Referral/Direct;
Page 84 ~ Referral/Direct;
Page 85 ~ Referral/Direct;
Page 86 ~ Referral/Direct;
Page 100 ~ Referral/Direct;
Page 101 ~ Referral/Direct;
Page 102 ~ Referral/Direct;
Page 103 ~ Referral/Direct;
Page 104 ~ Referral/Direct;
Page 105 ~ Referral/Direct;
Page 106 ~ Referral/Direct;
Page 124 ~ Duplicate;
Page 125 ~ Duplicate;
Page 126 ~ Duplicate;
Page 127 ~ Duplicate;
Page 128 ~ Duplicate;
Page 129 ~ Duplicate;
Page 130 ~ Duplicate;
Page 131 ~ Duplicate;
Page 132 ~ Duplicate;
Page 133 ~ Duplicate;
Page 134 ~ Duplicate;
Page 135 ~ Duplicate;
Page 136 ~ Duplicate;
Page 137 ~ Duplicate;
Page 138 ~ Duplicate;
Page 139 ~ Duplicate;
Page 140 ~ Duplicate;
Page 141 ~ Duplicate;
Page 142 ~ Duplicate;
Page 143 ~ Duplicate;
Page 144 ~ Duplicate;
Page 145 ~ Duplicate;
Page 146 ~ Duplicate;
Page 147 ~ Duplicate;
Page 148 ~ Duplicate;
Page 149 ~ Duplicate;
Page 150 ~ Duplicate;
Page 151 ~ Duplicate;
Page 152 ~ Duplicate;
Page 153 ~ Duplicate;
Page 154 ~ Duplicate;
Page 155 ~ Duplicate;
Page 156 ~ Duplicate;
Page 157 ~ Duplicate;
Page 158 ~ Duplicate;

Page 159 ~ Duplicate;
Page 160 ~ Duplicate;
Page 161 ~ Duplicate;
Page 162 ~ Duplicate;
Page 163 ~ Duplicate;
Page 164 ~ Duplicate;
Page 165 ~ Duplicate;
Page 166 ~ Duplicate;
Page 167 ~ Duplicate;
Page 168 ~ Duplicate;
Page 169 ~ Duplicate;
Page 170 ~ Duplicate;
Page 171 ~ Duplicate;
Page 172 ~ Duplicate;
Page 173 ~ Duplicate;
Page 174 ~ Duplicate;
Page 175 ~ Duplicate;
Page 176 ~ Duplicate;
Page 177 ~ Duplicate;
Page 178 ~ Duplicate;
Page 179 ~ Duplicate;
Page 180 ~ Duplicate;
Page 181 ~ Duplicate;
Page 182 ~ Duplicate;
Page 183 ~ Duplicate;
Page 184 ~ Duplicate;
Page 186 ~ Duplicate;
Page 188 ~ Referral/Direct;
Page 189 ~ Referral/Direct;
Page 196 ~ Referral/Direct;
Page 198 ~ Referral/Direct;
Page 199 ~ Referral/Direct;
Page 200 ~ Referral/Direct;
Page 201 ~ Referral/Direct;
Page 205 ~ Referral/Direct;
Page 212 ~ Referral/Direct;
Page 213 ~ Referral/Direct;
Page 267 ~ Referral/Direct;
Page 268 ~ Referral/Direct;
Page 276 ~ Referral/Direct;
Page 277 ~ Referral/Direct;
Page 278 ~ Referral/Direct;
Page 279 ~ Referral/Direct;
Page 282 ~ Referral/Direct;
Page 283 ~ Referral/Direct;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Field File No.

BER 183-54-1A^①

OO and File No.

Date Received

2-21-84

From

N.Y.

(NAME OF CONTRIBUTOR)

(ADDRESS OF CONTRIBUTOR)

By

(CITY AND STATE)

(NAME OF SPECIAL AGENT)

To Be Returned ☐ Yes

☒ No

Receipt Given ☐ Yes

☒ No

Description:

Photos of Marc Rich on cover
of Fortune Magazine

NOVEMBER

FORTUNE

**SECRETS OF
MARC RICH**

DEALS OF THE YEAR
MICROSOFT'S DRIVE
TO DOMINATE
SOFTWARE

WHERE MGM,
THE NCAA,
AND JERRY FALWELL
FIGHT FOR CASH



Field File No. BER 183-54-1A⁽²⁾

OO and File No. _____

Date Received 2-21-84

From N.Y.
(NAME OF CONTRIBUTOR)

(ADDRESS OF CONTRIBUTOR)

By _____
(CITY AND STATE)

(NAME OF SPECIAL AGENT)

To Be Returned ☐ Yes ☒ No
Receipt Given ☐ Yes ☒ No

Description:

Photos of Marc Rich &
Pinus Green

FORTUNE

TROUBLE SHAWN TULLY AND FORD S. WORTHY

SECRETS OF MARC RICH

■ Marc Rich threw a bash late last year to celebrate the opening of a new restaurant his company built across an alley from its blue-glass headquarters in Zug, the foggy Swiss town where Rich lives beyond the reach of a U.S. warrant for his arrest. Local politicians were among the guests who spooned oxtail soup and tapped their feet to tunes by an all-female steel band. To his Swiss friends, who see Rich as more folk hero than fugitive,

Rich expressed high hopes that his legal troubles would soon end, and that Marc Rich & Co. AG would endure in Zug as a model of corporate citizenship.

HIS ELAN INTACT, Rich seems firmly in command in Zug. Across the Atlantic, he's charged in one of the biggest tax fraud cases in American history. The notoriety is bitter indeed for the nimble entrepreneur who—while remaining a mystery man outside the secretive fraternity of traders—in less than a decade built a huge commodities trading empire that challenged his archival and alma mater, Phillips Brothers. Rich and his partner, Pincus "Pinkie" Green, along with their privately held Swiss parent company and a former subsidiary that operated in the U.S., have been indicted for violating now-defunct controls on oil prices to create \$105 million in income, then slapping the profits offshore to escape paying \$48 million in U.S. taxes. Rich and Green, both 49, also face charges of trading with the enemy for buying oil from Iran during the hostage crisis of 1980. After more than a year of legal wrangling that spawned scores of headlines, and fumbling attempts to foil the courts worthy of the Keystone Kops, the trial is set for March. The two companies—and an oil trader named Clyde Metzger who worked for Rich and was also indicted—will face a Manhattan jury. But Rich and Green can't be tried unless they show up, a remote possibility. And a U.S. treaty with Switzerland will

by John H. Garvey and Louis S. Richman

make it tough to extradite them.

Legal woes have taken a heavy toll on the business. Last summer the subsidiary operating in the U.S. changed its name, from Marc Rich International to Clarendon, and its ownership, to exclude Rich and Green. But business evaporated anyway, and now the U.S. branch of Clarendon is all but extinct. In Zug, Marc Rich AG still does a brisk business in aluminum and other metals, but the company has closed up shop in gold, sugar, grain, and some other commodities. Oil trading, Rich's specialty, is in a rut. Traders at major oil companies must carefully check all Rich deals with their lawyers, a restriction that has chilled business. A few of Rich's traders based in Europe have quit, and others are talking about leaving. Sighs one of the departed: "This company has gone through hell."

The torture includes fines of \$50,000 a day, dutifully delivered by messenger to a federal courthouse in twice-weekly installments, a ritual due to continue until the company complies with a subpoena for documents, or the court deigns to lift the fines. Marc Rich AG can probably afford to pay for a while. According to Swiss tax records obtained by FORTUNE, the company had a net worth of more than \$200 million in 1981.

Reliable accounts of Rich's rapid rise and fall have been as elusive as the man himself. Rich made the only known public utterances of his 31-year career on a Swiss radio broadcast last September. Asked if he had good "contact" with the Swiss, he replied in smooth German: "Not yet. Most people who



Rarely photographed, Marc Rich (left) and his

longtime partner, Pincus Green, are fugitives, but they're not completely out of sight. This picture was taken in November in Zug, Switzerland, where they now live

BER 183-54-1A⁽²⁾

Field File No.

BER 185-54-1A⁽³⁾

OO and File No.

Date Received

2-21-84

From

N.Y.

(NAME OF CONTRIBUTOR)

(ADDRESS OF CONTRIBUTOR)

By

(CITY AND STATE)

(NAME OF SPECIAL AGENT)

To Be Returned ☐ Yes

☒ No

Receipt Given ☐ Yes

☒ No

Description:

2 photos of Armed Forces
Fingerprint Record of
Pinus Green

BER 183-54-1A⁽³⁾

P 040522Z FEB 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 075-05

LEGAL ATTACHE BONN PRIORITY 175-05

LEGAL ATTACHE LONDON PRIORITY 180-05

LEGAL ATTACHE PARIS PRIORITY 135-05

LEGAL ATTACHE ROME PRIORITY

BT

196-128-2 I L
62-0-329 Pinawa
196-128-2 I L

~~SECRET~~ SECTION ONE OF TWO

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA
"CLARENDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH THE
ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7C

BY TELETYPE DATED FEBRUARY 3, 1984, FBI NEW YORK ADVISED:

THE FOLLOWING IS CLASSIFIED ~~"SECRET"~~ ~~IT ITS ENTIRETY.~~

REBUCONFERENCE REGARDING CAPTIONED MATTER, DATED DECEMBER 5,
1983, AND NUMEROUS TELCALLS BETWEEN BUREAU AND NEW YORK, DATED
DECEMBER 6, 1983 - JANUARY 27, 1984, AND NYTEL TOOW

REAU, DATED

JANUARY 6, 1984.

Informate
62-0-329 to 62-0 3292
L

b6
b7C

183D-54-29

SEARCHED <i>13</i>	INDEXED <i>13</i>
SERIALIZED <i>13</i>	FILED <i>13</i>
FEB 6 1984	

L

PAGE TWO DE HQ 0030 ~~SECRET~~

FOR INFORMATION OF LEGATS BERN, BONN, LONDON, PARIS AND ROME,
THE PURPOSE OF THIS TELETYPE IS TO PROVIDE EACH LISTED LEGAT WITH
BACKGROUND DATA REGARDING CAPTIONED MATTER AS WELL AS INFORMATION
REGARDING A [REDACTED]

[REDACTED] NO

INFORMATION IN THIS TELETYPE IS TO BE DISSEMINATED OUTSIDE THE FBI
AT THIS TIME, INASMUCH [REDACTED]

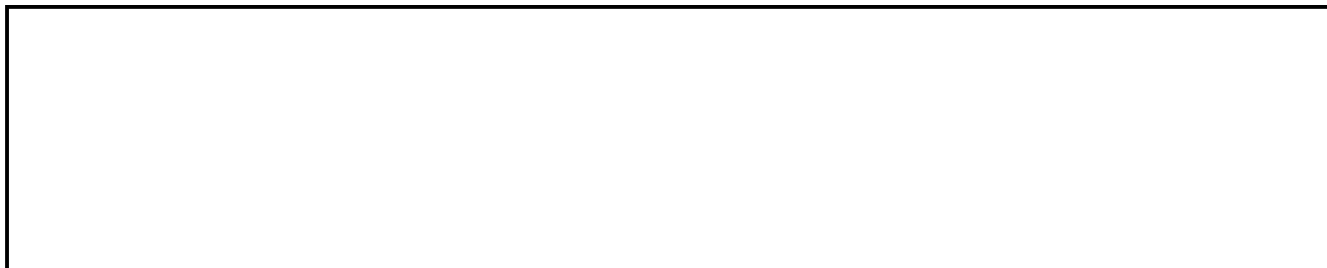
[REDACTED]

THE FOLLOWING INFORMATION MUST BE HANDLED WITH EXTREME CAUTION AS A
HIGHLY SENSITIVE [REDACTED] SOURCE WILL BE IN JEOPARDY IF THE
INFORMATION IS MISHANDLED.

b7D
b7F
b7E

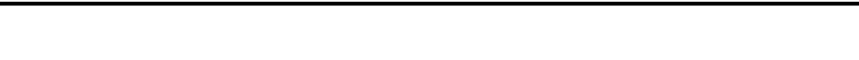
b7D
b7F

PAGE THREE DE HQ 0030 ~~SECRET~~

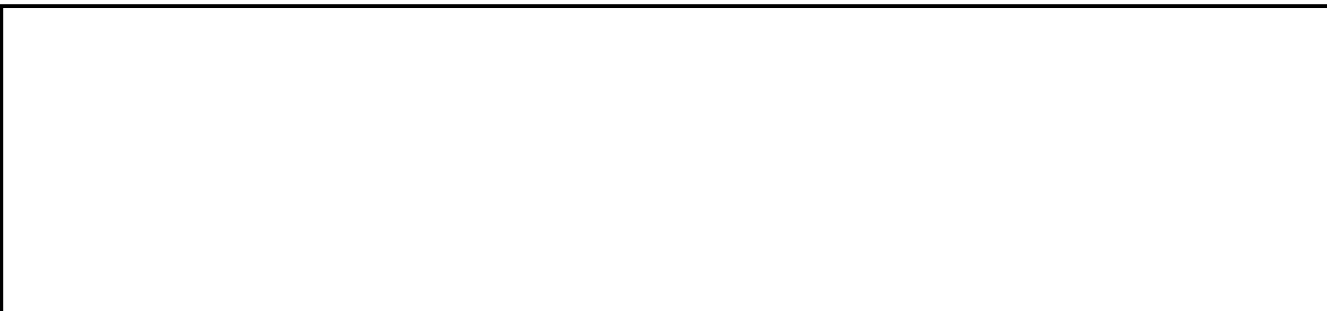


b7D
b7F

FROM APPROXIMATELY



b7D
b7F



b7D
b7F

ON SEPTEMBER 19, 1983, THE GRAND JURY FOR THE SOUTHERN DISTRICT
OF NEW YORK CONCURRED IN THE FINDING OF A 51-COUNT INDICTMENT. THE

PAGE FOUR DE HQ 0030 ~~SECRET~~

INDICTMENT CHARGES CAPTIONED WITH CONSPIRING TO AND CONDUCTING THEIR COMMODITIES BUSINESS THROUGH A PATTERN OF RACKETEERING INVOLVING THE SCHEMES TO DEFRAUD THEIR CUSTOMERS, THE DOE AND IRS. EACH DEFENDANT IS CHARGED WITH VARIOUS MAIL AND WIRE FRAUD VIOLATIONS REGARDING THESE FRAUD SCHEMES AS WELL AS TAX EVASION. ADDITIONALLY, MARC RICH AND PINCUS GREEN ARE CHARGED WITH ILLEGAL TRADES WITH IRAN DURING THE HOSTAGE CRISES AMOUNTING TO OVER \$200 MILLION.

THE FOLLOWING INFORMATION WAS PROVIDED BY A [REDACTED] SOURCE WHO IS HIGHLY RELIABLE AND VERY SENSITIVE. INFORMATION WAS OBTAINED BY SOURCE [REDACTED]

b7D
b7F

THE INFORMATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY DUE TO THE NATIONAL SECURITY ASPECTS OF SOME OF THE INFORMATION. THE INFORMATION IS HIGHLY SINGULAR AND, THEREFORE, MUST NOT BE DISSEMINATED OUTSIDE THE FBI AS SOURCE WILL BE IN JEOPARDY.

SOURCE IS [REDACTED]

b7D
b7F

PAGE FIVE DE HQ 0030 ~~SECRET~~

SOURCE LEARNED

b7D
b7F

b7D
b7F
b7E

SOURCE ADVISED THAT

b7D
b7F
b7E

PAGE SIX DE HQ 0030 ~~SECRET~~

[REDACTED]

b7D
b7F
b7E

SOURCE ADVISED [REDACTED]

[REDACTED]

b7D
b7F
b7E

SOURCE ADVISED [REDACTED]

[REDACTED]

IN REGARD TO [REDACTED]

[REDACTED]

b7D
b7F
b7E

SOURCE SAID THE [REDACTED]

[REDACTED]

b7D
b7F
b7E

BT

#0030

P 040522Z FEB 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 076-05

LEGAL ATTACHE BONN PRIORITY 176-05

LEGAL ATTACHE LONDON PRIORITY 184-05

LEGAL ATTACHE PARIS PRIORITY 143-05

LEGAL ATTACHE ROME PRIORITY

BT

~~SECRET~~ SECTION TWO OF TWO

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA
"CLARENDON A.G."; RICO; FBW: MF; TAX EVASION; TRADING WITH THE
ENEMY; OFFICE OF ORIGIN: NEW YORK.

b6
b7C

b7D
b7F
b7E

b6
b7C
b7D
b7F
b7E

PAGE TWO DE HQ 0042 ~~SECRET~~

b6
b7C
b7D
b7F
b7E

b7D
b7F
b7E

SOURCE WILL MAKE EVERY EFFORT TO

IN CONNECTION WITH

PAGE THREE DE HQ 0042 ~~SECRET~~

--

b7D
b7F
b7E

SOURCE WILL BE

--

--

b7D
b7F
b7E

PRESENTLY, IT IS

--

--

b7D
b7F
b7E

PAGE FOUR DE HQ 0342 ~~SECRET~~

WHEN SPECIFIC INFORMATION IS PROVIDED AS TO [REDACTED]

[REDACTED] APPROPRIATE LEGAT WILL BE ADVISED.

ALTHOUGH NO SPECIFIC [REDACTED]

[REDACTED]

b7D
b7F
b7E

MARCH RICH IS DESCRIBED AS FOLLOWS: DATE OF BIRTH DECEMBER 1st,
1934: PLACE OF BIRTH ANTWERP, BELGIUM; HEIGHT FIVE FEET TEN INCHES;
HAIR BLACK; EYES BROWN; CITIZENSHIP - UNITED STATES - SPAIN-
BOLIVIA.

PINCUS GREEN IS DESCRIBED AS FOLLOWS: DATE OF BIRTH [REDACTED]
[REDACTED] PLACE OF BIRTH [REDACTED] NEW YORK; HEIGHT FIVE FEET TEN
INCHES; HAIR BROWN; EYES GREEN; CITIZENSHIP - USA - [REDACTED]

b6
b7C

PAGE FIVE DE HQ 0042 ~~SECRET~~

PHOTOGRAPHS OF RICH AND GREEN AND FINGERPRINTS OF GREEN WILL BE SENT UNDER SEPARATE COVER.

LEGATS ARE REQUESTED TO COMMENT ON [REDACTED] IN
COMMENTING, LEGATS ARE SPECIFICALLY REQUESTED TO ADDRESS THE
FOLLOWING TOPICS [REDACTED]

b7E

1)

2A)

2B)

3A)

3B)

4)

b7E

b7E

b7E

PAGE SIX DE HQ 0042 ~~S F C R E T~~

[REDACTED]

b7E

5) [REDACTED]

[REDACTED]

b7E

6) LEGATS ARE REQUESTED TO SUTEL RESPONSE TO BOTH FBIHQ AND NEW YORK BY FEBRUARY 7, 1983. AS THIS RESPONSE IS NECESSARY BEFORE FBIHQ FINANCIAL CRIMES UNIT CAN MAKE APPROPRIATE RECOMMENDATIONS.

7) LEGAT BERN IS ALSO REQUESTED TO [REDACTED]

b7E

[REDACTED]

8) LEGAT PARIS IS ALSO REQUESTED TO ADDRESS RESPONSE TO THIS TELETYPE [REDACTED]

b7E

~~C BY G-3, DECL OADR~~

BT

#0042

D

O 070900Z FEB 84
FM BERN (183D-54) (P)
TO DIRECTOR IMMEDIATE 052-07
LEGAT BONN IMMEDIATE 008-07
LEGAT LONDON IMMEDIATE 005-07
LEGAT PARIS IMMEDIATE 005-07
LEGAT ROME IMMEDIATE 052-07 VIA FBIHQ
BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED] MARC
RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL LIMITED, AKA
"CLARENDON A.G."; RICO; FBW; MF; TAX EVASION; TRADING WITH THE
ENEMY. OO: NEW YORK.

b6
b7C

REFRUCAR FEBRUARY 4, 1984.

ENTIRE COMMUNICATION CLASSIFIED "~~SECRET~~."

FOR THE INFORMATION OF THE BUREAU AND NEW YORK, IT IS THE
ASSESSMENT OF LEGAT BERN THAT IT WOULD BE [REDACTED]

[REDACTED]

b7E

[REDACTED] AS THE BUREAU AND NEW YORK ARE

AWARE, THE CLIMATE SURROUNDING [REDACTED]

EXTREMELY DELICATE AT PRESENT. [REDACTED]

183D-54-30

SEARCHED _____

SERIALIZED *BY* _____

INDEXED _____

FILED *BY* _____

AGP/13

L

PAGE TWO BER 183D-54 ~~SECRET~~

[REDACTED]

b7E

LEGAT BERN BELIEVES THAT

[REDACTED]

b7E

LEGAT BERN ALSO RECOMMENDS

[REDACTED]

b7E

IT IS APPARENT FROM RECAP THAT NEITHER NEW YORK NOR THE
BUREAU ARE CONSIDERING A SCENARIO OF [REDACTED]

[REDACTED] LEGAT BERN CONCURS WITH THIS, NOTING THAT [REDACTED]

b7E

[REDACTED]

PAGE THREE BER 183D-54 ~~SECRET~~

b7E

~~C BY 9-3, DECL: OADR.~~

ADMINISTRATIVE:

FBIHQ RELAY TO NEW YORK.

BT

b6
b7C

O 081045Z FEB 84
FM BONN (183D-54) (P)
TO DIRECTOR IMMEDIATE 190-08
LEGAT, BERN (183D-54) IMMEDIATE 007-08
LEGAT, LONDON IMMEDIATE 003-08
LEGAT, PARIS (183D-57) IMMEDIATE 007-08
LEGAT, ROME IMMEDIATE (VIA FBIHQ) 190-08
BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]
MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A.G."; RICO; FRM; MF; TAX EVASION;
TRADING WITH THE ENEMY; (OO: NY).

b6
b7C

REFUCAR FEBRUARY 4, 1984, RELAYING NYTEL FEBRUARY 3, 1984.
THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.
REFUCAR NOT RECEIVED AT BONN UNTIL CLOSE OF BUSINESS
FEBRUARY 7, 1984, MAKING RESPONSE ON SAME DAY IMPOSSIBLE.

IN GENERAL, BONN [REDACTED]
[REDACTED]

b7D
b7F
b7E

183D-54-33

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 9 1984	

[REDACTED]

b6
b7C

PAGE TWO - RON 183D-54 ~~SECRET~~

[REDACTED]

b7D
b7F
b7E

NEW YORK MUST REALIZE, HOWEVER, [REDACTED]

[REDACTED]

b7D
b7F
b7E

RONN APPRECIATES NEW YORK'S [REDACTED]

[REDACTED]

b7E

GIVEN THE ABOVE, THE ANSWERS TO POINTS 2A, 2B, AND 5 BECOME APPARENT. [REDACTED]

[REDACTED]

b7E

[REDACTED]

THIS SIMPLY CANNOT BE

DONE AT THE LAST MINUTE. HOWEVER, IT WOULD NOT BE NECESSARY TO

[REDACTED]

PAGE THREE - RON 183D-54 ~~SECRET~~

b7D
b7E

IN ADDITION, IT SHOULD BE MENTIONED THAT ALTHOUGH LEGAT

b7D
b7E

b7E

OBVIOUSLY,

b7E

PAGE FOUR - POM 183D-54 ~~SECRET~~

b7E

LEGAT BELIEVES THAT FOR

b7D
b7F
b7E

IN THE

b7E

PAGE FIVE - BON 183D-54 ~~SECRET~~

NEW YORK [REDACTED]

b7E

NEW YORK [REDACTED]

b7E

~~C BY 238, DECL OADR.~~

ADMINISTRATIVE:

FBIHQ REQUESTED TO RETRANSMIT TO NY AND LEGAT, ROME.

BT

080754Z FEB 84

FM DIRECTOR FBI (196B-2848)

TO LEGAL ATTACHE PERM PRIORITY 084-09

LEGAL ATTACHE BONN PRIORITY 194-09

LEGAL ATTACHE LONDON PRIORITY 200-09

LEGAL ATTACHE PARIS PRIORITY 164-09

LEGAL ATTACHE ROME PRIORITY

BT

UNCLAS

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; [REDACTED]

b6
b7C

MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL
LIMITED, AKA "CLARENDON A. G."; RICO; FRM; MF; TAX EVASION;
TRADING WITH THE ENEMY; OFFICE OF ORIGIN: NEW YORK.

NEW YORK OFFICE (196A-1774) ADVISED BY TELETYPE FEBRUARY 8,
1984, AS FOLLOWS:

RENEW YORKTELETYPES TO DIRECTOR, JANUARY 6, 1984 AND
FEBRUARY 3, 1984.

ON [REDACTED]

SOURCE OBTAINED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] IS AS FOLLOWS:

b6
b7C

2/10

have - wcc
section - said no
possibility of either

183D-54-34

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 10 1984	

PAGE TWO DE HQ 0025 UNCLAS

b6
b7C
b7D
b7F

b7D
b7F

b7D
b7F

b7D
b7F

b7D
b7F

PAGE THREE DE HQ 0025 KAMNCLAS

b7D
b7F
b7E

SOURCE IS [REDACTED] HOWEVER, NO FINAL
DECISION HAS BEEN MADE.

ALL LEGATS SHOULD RESPOND TO FEBRUARY 3, 1984 TELETYPE
IN CASE OF [REDACTED]

[REDACTED] SOURCE MENTIONED ABOVE IS [REDACTED]

INFORMATION FROM [REDACTED] IS OF A HIGHLY SINGULAR
NATURE AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

b7D
b7F

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL
POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

BT

#0025

NNNN

P 101545Z FEB 84

FM PARIS (183-57) (P)

TO DIRECTOR FBI PRIORITY 100-10

LEGAL ATTACHE BERN PRIORITY 007-10

LEGAL ATTACHE BONN PRIORITY 009-10

LEGAL ATTACHE LONDON PRIORITY 010-10

LEGAL ATTACHE ROME PRIORITY (VIA FBIHQ) 100-10

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH AND COMPANY; MARK RICH AND COMPANY INTERNATIONAL

LIMITED, AKA "CLARENDON A.G."; RICO: FBW; MF: TAX EVASION:

TRADING WITH THE ENEMY; OO: NY

b6
b7C

ALL INFORMATION CONTAINED HEREIN IS CLASSIFIED ~~SECRET~~.

PERUTEL DATED 2/4/84, PARIS AND BERN TELETYPES OF 2/7/84
AND BERN CABLE OF 2/8/84.

WITH BENEFIT OF ENTIRE TEXT OF 2/4/84 CABLE, LEGAT PARIS
BELIEVES THAT, AS WITH LEGAT BONN, [REDACTED]

b7E

*no action
needed*

183 D - 54 - 35

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 13 1984	
FBI - BERN	

PAGE TWO DE PAR #0093 ~~SECRET~~

b7E

b7D
b7F
b7E

IT WOULD THEREFORE

b7D
b7F
b7E

PAGE THREE DE PA #0093 ~~SECRET~~

THE INFORMANT [REDACTED]

b7D
b7F
b7E

LEGAT PARIS SUGGESTS THAT [REDACTED]

b7E

HOWEVER, DEFERENCE ON THE ABOVE IS BEING LEFT TO LEGAT
BERN.

PAGE FOUR DE PAR #0093 ~~SECRET~~

LEGAT PARIS ALSO NOTES THAT [REDACTED]

b7E

[REDACTED]
[REDACTED] INQUIRIES CAN BE MADE

IF REQUESTED.

~~C BY 2675; DECL:OADR~~

ADMINISTRATIVE: FBIHQ RETRANSMIT TO NEW YORK.

BT

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

AIRTEL

DATE: FEB 6 1984

TO : DIRECTOR, FBI (196A-2848)
(ATTN. [REDACTED] ECONOMIC CRIMES UNIT, DIVISION 6) b6
b7C

FROM : ADIC, NEW YORK (196A 1774) (P) (M-1)

SUBJECT. MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;

[REDACTED]
ET AL; b6
RICO FBW b7C
MF,
TAX EVASION
TRADING WITH THE ENEMY
(OO NY)

ReNYtel to Director, 2/3/84.

Enclosed for the Bureau is one envelope containing five envelopes each containing two photographs of MARC RICH on the cover of Fortune Magazine, two photographs of MARC RICH and PINCUS GREEN on page 45 of Fortune Magazine and two photographs of the Armed Forces Fingerprint Record of PINCUS GREEN.

REQUEST OF THE BUREAU

The Bureau is requested to disseminate contents of each envelope to the following Legats: Bern, Bonn, London, Paris and Rome.

COPIES DESTROYED 14 - Bureau
2 - New York

RVR:jf
(17)

RI 5 2/14/84
info

b6
b7C

183D-54-36

SEARCHED <i>BT</i>	INDEXED <i>BT</i>
SERIALIZED <i>BT</i>	FILED <i>BT</i>
FEB 21 1984	

[REDACTED]

b6
b7C

P 040803Z FEB 84

FM DIRECTOR FBI (196-2948)

TO LEGAL ATTACHE BERN PRIORITY 147-24

LEGAL ATTACHE BONN PRIORITY 295-24

BT

UNCLAS SECTION ONE OF TWO

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE: [REDACTED] MARC RICH
AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, AKA
CLARENDON A.G.; RICO; FRM; ME; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK.

b6
b7C

NEW YORK OFFICE (196A-1774) ADVISED BY TELETYPE FEBRUARY 24, 1984,
AS FOLLOWS:

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" ~~IN ITS ENTIRETY.~~

RENYTEL TO BUREAU, DATED FEBRUARY 3, 1984 AND FEBRUARY 7,
1984, AND LEGAT, BONN AND LEGAT, BERN TELETYPES TO BUREAU, DATED

183-54-38

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 27 1984	

[REDACTED] *Ans*

b6
b7C

PAGE TWO DE HQ 0047 UNCLAS

FEBRUARY 8, 1984.

THE PURPOSE OF THIS COMMUNICATION IS TO UPDATE RECEIVING
OFFICES OF LATEST DEVELOPMZNTS IN NEW YORK'S PLAN TO [REDACTED]

b7D
b7E

A [REDACTED] SOURCE PROVIDED THE FOLLOWING INFORMATION ON

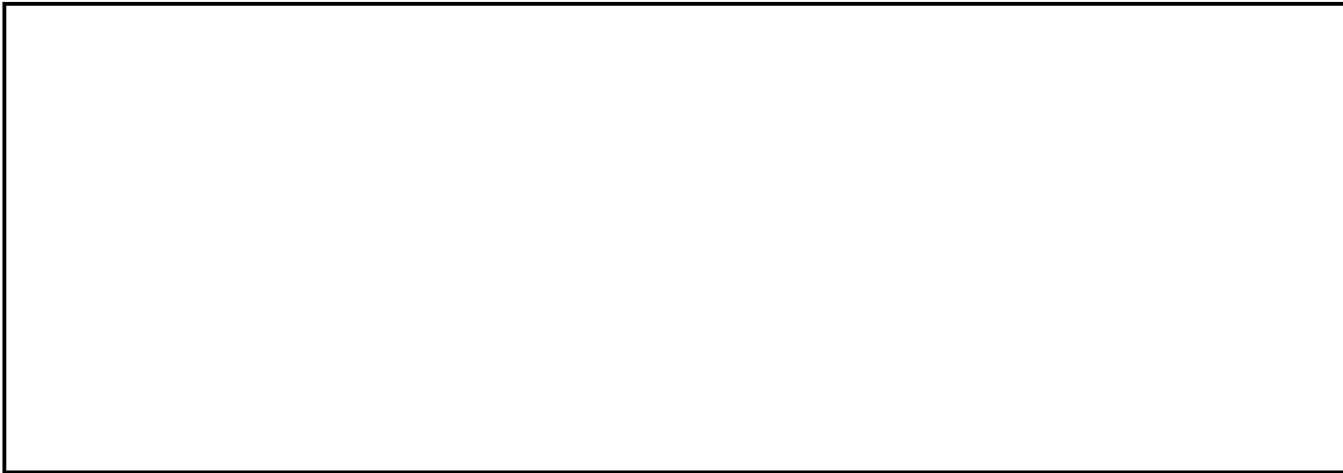
b7D
b7E

FEBRUARY 21, 1984:

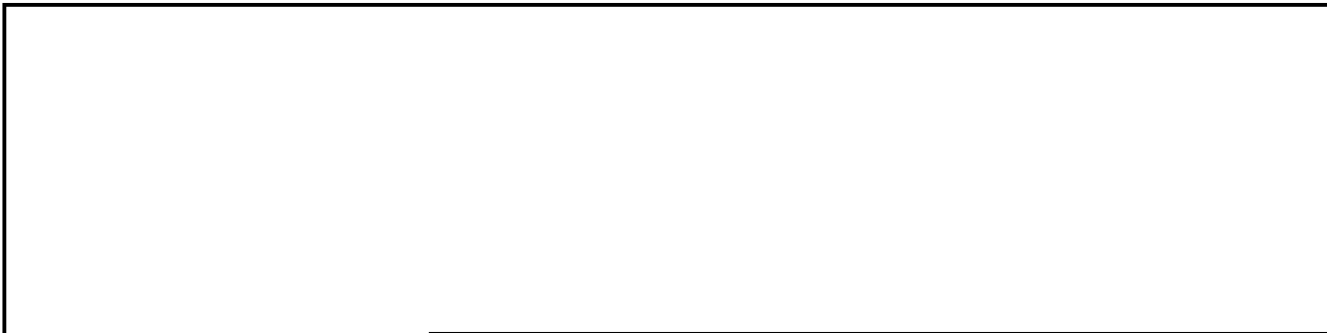
SOURCE [REDACTED]

b7D
b7E
b7E

PAGE THREE DE HQ 0047 UNCLAS

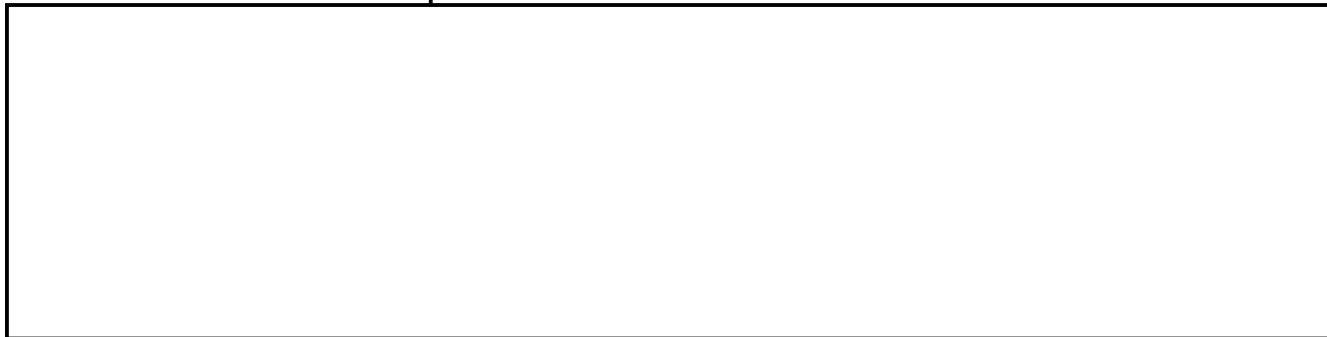


b7D
b7F
b7E



b7D
b7F
b7E

IN REGARD TO THE



b7D
b7F
b7E

PAGE FOUR DE HQ 3347 UNCLAS

SOURCE

b7D
b7F
b7E

b7D
b7F
b7E

SOURCE ADVISED

b7D
b7F
b7E

PAGE FIVE DE HQ 0007 UNCLAS

SOURCE EXPRESSED THE

[REDACTED]

[REDACTED]

b7D
b7F
b7E

ON FEBRUARY 24, 1984, SOURCE ADVISED

[REDACTED]

[REDACTED]

b7D
b7F
b7E

SOURCE ADVISED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

PAGE SIX DE HQ 0047 UNCLAS

SOURCE ADVISED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

SOURCE STATED THAT

[REDACTED]

[REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED]

b7D
b7F
b7E

BT

#0047

P 242803Z FEB 84

FM DIRECTOR FBI (195-2848)

TO LEGAL ATTACHE BERN PRIORITY 148-24

LEGAL ATTACHE BONN PRIORITY 286-24

BT

UNCLAS SECTION TWO OF TWO

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; [REDACTED] MARC RICH
AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL, LIMITED, AKA
CLARENDON A.G.; RICO; FBM; MF; TAX EVASION; TRADING WITH THE ENEMY;
OO: NEW YORK.

b6
b7C

[REDACTED]
BASED ON [REDACTED]
[REDACTED]

b7D
b7F
b7E

REQUEST OF THE BUREAU

1. [REDACTED]

b6
b7C
b7E

PAGE TWO DE HQ 0040 UNCLAS

b7D
b7F
b7E

2. DISSEMINATE CONTENTS OF TELETYPE TO LEGATS, BERN AND BONN.

3. PROVIDE THE

b7E

AFFAIRS WITH

LEGAT, BERN.

b7D
b7E

PAGE THREE DE HQ 0048 UNCLAS

LEGAT, BONN. [REDACTED]

b7E

ADMINISTRATIVE

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE
AND DISCLOSURE WOULD REVEAL SOURCES IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT, CRITICAL [REDACTED]

b7D
b7F

[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

[REDACTED]
[REDACTED] THEREFORE THEY SHOULD BE CONSIDERED ARMED AND
EXTREMELY DANGEROUS.

b7E

~~C BY C-3; DECL: OADR~~

BT

#0048

NNNN

b6
b7C

O 081050Z FEB 84

FM BONN (183D-54) (P)

TO DIRECTOR (196-2848) IMMEDIATE 074-28

LEGAT, BERN (183D-54) (INFO) ROUTINE 008-28

BT

~~CONFIDENTIAL~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; [REDACTED]

MARC RICH AND COMPANY A.G.; MARC RICH AND COMPANY INTERNATIONAL,
LIMITED, AKA CLARENDON A.G.; RICO; FRM; MF; TAX EVASION; TRADING
WITH THE ENEMY (OO: NY).

b6
b7C

THIS COMMUNICATION IS "UNCLASSIFIED", EXCEPT WHERE OTHERWISE
INDICATED.

REBUCAR FEBRUARY 24, 1984, RELAYING NYTEL FEBRUARY 24, 1984.

ON FEBRUARY 28, 1984, LEGAT [REDACTED]

b6
b7C
b7D
b7E

b6
b7C
b7D
b7E

183D-54-39

SEARCHED	INDEXED
SERIALIZED	FILED
FEB 28 1984	

[REDACTED]

b6
b7C

PAGE TWO - RQN 1830-54 ~~CONFIDENTIAL~~

b6
b7C
b7D
b7E

b6
b7C
b7D
b7E

~~(U)~~

NOT ONLY WOULD MENTION

WHICH ARE UNCLASSIFIED,

b7D
b7F
b7E

~~(U)~~

b6
b7C
b7D
b7F
b7E

PAGE THREE - RON 1830-54 ~~CONFIDENTIAL~~

[REDACTED]

b7D
b7E

NEW YORK [REDACTED]

LEGAT IS PLANNING [REDACTED]

b7E

[REDACTED]

[REDACTED] HAVE BEEN FURNISHED TO [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

[REDACTED] IS CONCERNED, HOWEVER, [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

[REDACTED]

[REDACTED]

WHICH MIGHT BE TOO LATE.

b6
b7C
b7D
b7E

[REDACTED]

PAGE FOUR - R0N 1930-54 ~~C O N F I D E N T I A L~~

b7D
b7E

THIS TELEX SHOULD BE SENT TODAY, FEBRUARY 22, 1984, IF AT
ALL POSSIBLE.

REQUEST OF THE BUREAU -

(1)

b6
b7C
b7E

(2) FBIHQ REQUESTED TO RETRANSMIT TO NY (196A-1774).

~~C BY 238, DECL: OADR.~~

BT

b6
b7C

P 00157477 MAR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 166-00

LEGAL ATTACHE BONN PRIORITY 333-00

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE, ET AL;

RICO; FBM; ME; TAX EVASION; TRADING WITH THE ENEMY OO:

NEW YORK.

BY TELETYPE DATED 2/29/84, NEW YORK OFFICES ADVISED AS FOLLOWS:

YTELETYPE TO BUREAU, DATED FEBRUARY 3, 1984 AND

FEBRUARY 03, 1984.

ON FEBRUARY 07, 1984, [REDACTED]

SOURCE [REDACTED]

b7D
b7E

b6
b7C

Am
Pls see me.
L

183D-54-40

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 5 1984	
[REDACTED]	

PAGE TWO DE HQ 4345 ~~SECRET~~

SOURCE TELEPHONICALLY CONTACTED [REDACTED]

b6
b7C
b7D
b7F

b7D
b7F
b7E

REQUEST OF THE BUREAU:

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS
BERN AND ROMN.

USE EXTREME CAUTION IN DISSEMINATING INFORMATION
TO INDIVIDUAL OUTSIDE THE FEDERAL BUREAU OF INVESTIGATION.

ADMINISTRATIVE:

SOURCE IN [REDACTED]

b7D
b7F

INFORMATION FROM SOURCE IS OF A HIGHLY SINGULAR NATURE

PAGE THREE DE HQ 0045 ~~SECRET~~

AND DISCLOSURE COULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT CRITICAL
TO [REDACTED] WHOSE IDENTITY, IF
REVEALED, WILL POSITIVELY LEAD TO PHYSICAL DANGER TO SOURCE
AND FAMILY.

b7D
b7F
b7E

[REDACTED] SHOULD
BE CONSIDERED ARMED AND DANGEROUS.

~~C BY R-3, DECL: OADR.~~

BT

#0045

NNNN

b6
b7C

~~SECRET~~

UNITED STATES GOVERNMENT

memorandum

DATE: 3/5/84

REPLY TO
ATTN OF: SA [REDACTED]

b6
b7C

SUBJECT: MARC RICH - Fugitive, et al

TO: 183D-54

For the information of the file, on 3/5/84 the DCM
was apprised generally of the [REDACTED]

b7E

[REDACTED]
[REDACTED]. He requested
that the Legat office inform him when the circumstances appeared
ready [REDACTED]

b7E

[REDACTED]
[REDACTED] The DCM was told that
it appeared that someone in the Department of State was aware
because the Political Counselor in the AmEmbassy Bonn had been
in contact with Legat, Bonn at the direction of the Department.
The DCM indicated that he intended to make contact with the
Department of State to suggest that they make contact with the
Office of International Affairs.

b7E

Following the conversation with the DCM Legat, Bonn was
contacted and he was requested to give Legat, Bonn advance
warning when [REDACTED]

b7E

AGR
(1)

~~SECRET~~ Classified by C-3
Declassify on: OADR

183D-54-41

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 6 1984	
FBI - BONN	

OPTIONAL FORM NO. 10
(REV. 1-80)
GSA FPMR (41 CFR) 101-11.6
5010-114

X AIRTEL

2/24/84

TO: DIRECTOR, FBI (196B-2848) (P) b6
(ATTN: [REDACTED] FINANCIAL CRIMES UNIT) b7C

FROM: ADIC, NEW YORK (196A-1774) (P) (M-1)

SUBJECT: MARC RICH -- FUGITIVE;
PINCHUS GREEN -- FUGITIVE;
[REDACTED] b6
MARC RICH AND COMPANY A. G., b7C
MARC RICH AND COMPANY INTERNATIONAL LTD., aka
Clarendon A. G.;
RICO;
FBW;
MF;
TAX EVASION;
TRADING WITH THE ENEMY
(OO: NY)

ReNYteletype to Director, dated 2/3/84.

Enclosed for the Bureau is one package containing
five envelopes which contain:

1. Copy of indictment on 9/19/83, by SDNY, of subjects.

(14) - Bureau (Encls. 1)
1 - New York

RVR:tll
(16)

183 D-54-44

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 5 1984	

[REDACTED]

b6
b7C

UNCLASSIFIED

UNITED STATES GOVERNMENT

memorandum

DATE: 3/6/84

REPLY TO
ATTN OF: L.W. LEVINE, Legat

b6

b7C

SUBJECT: Marc RICH; Pincus GREEN; [redacted] et al

TO: [redacted]

Attached for your information, and that of other interested officers, is a summary document prepared on 2/24/84 by the New York Office of the FBI. This document synthesizes the investigation and the charges against the subjects in the Southern District of New York.

We also have available a copy of the indictment against these individuals, which you may certainly have and read if you are interested.

b6

b7C

1 - [redacted]
1 - Legat (183D-54)
AGR

183D-54-45
SEARCHED _____
SERIALIZED BY _____
INDEXED _____
FILED BY _____

OPTIONAL FORM NO. 10
(REV. 1-80)
GSA FPMR (41 CFR) 101-11.6
5010-114

b7D

7 March 1984

Our no. 183D-54

b7D

Re: Marc RICH;
Pincus GREEN;

b6 Racketeer Influenced and Corrupt
b7C Organization;
Fraud by Wire;
Mail Fraud;
Trading with the Enemy

Dear Sirs:

For your assistance in understanding the investigation and resulting court proceedings in the United States, we have attached hereto a summary document prepared by the New York Office of the FBI as well as a copy of the indictment in the Southern District of New York.

Yours truly,

Lawrence W. Levine
Attache

2 - addressee (encl 2)
1 - 183D-54

AGR

NOTE: The dissemination of these documents was mentioned on 3/7/84 to the Embassy Economics Officer.

183D-54-47
SEARCHED

SERIALIZED

INDEXED

FILED

L

b6
b7C

P 000473Z MAR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 000-30

LEGAL ATTACHE BONN PRIORITY 379-30

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; ETAL; PICO; FEW; MF;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

BY TELETYPE DATED 3/7/84 FBI NEW YORK ADVISED:

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REMYTEL TO DIRECTOR, DATED FEBRUARY 3, 1984, AND FEBRUARY 03,
1984.

ON MARCH 2, 1984, [REDACTED]

SOURCE WAS CONTACTED BY [REDACTED]

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F
b7E

183 D-54-48

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 8 1984	
FBI - NEW YORK	

PAGE TWO OF HQ 0011 ~~SECRET~~

b6
b7C
b7D
b7F
b7E

AS NOTED IN PREVIOUS TELETYPES, [REDACTED]

b7E

b7E

SHOULD BE CONSIDERED ARMED AND DANGEROUS.

ADMINISTRATIVE

SOURCE IS [REDACTED]

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE
AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

b7D
b7F

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT [REDACTED]

[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

BT

#0011

b6
b7C

D 0001567 MAR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 005-00

LEGAL ATTACHE BERN PRIORITY 309-00

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; ETAL; RICO; FRM; MR;
TAX EVASION; TRADING WITH THE ENEMY. OO: NEW YORK.

BY TELETYPE DATED MARCH 6, 1984 NEW YORK OFFICE ADVISED:

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

REMYTEL TO DIRECTOR, DATED FEBRUARY 3, 1974, AND FEBRUARY 23,
1974.

ON MARCH 2, 1984, [REDACTED]

SOURCE WAS CONTACTED BY [REDACTED]

b6
b7C
b7D
b7E

*DC m advised
on 3/9
[Signature]*

183 D-54-49

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 8 1984	
[REDACTED]	

b6
b7C

PAGE TWO DE HQ 3049 ~~S E C R E T~~

b6
b7C
b7D
b7F
b7E

AS NOTED IN PREVIOUS TELETYPES,

b7E

b7E

SHOULD BE CONSIDERED ARMED AND DANGEROUS.

PAGE THREE OF HQ 0040 ~~SECRET~~

EPITHO IS REQUESTED TO DISSEMINATE TO LEGATS, RFRM AND RQNM.

ADMINISTRATIVE

SOURCE IS [REDACTED]

b7D
b7E

INFORMATION FROM [REDACTED] IS OF HIGHLY SINGULAR NATURE
AND DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

[REDACTED] SOURCE IS A HIGHLY PLACED INFORMANT [REDACTED]

[REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSITIVELY LEAD TO
PHYSICAL DANGER TO SOURCE AND HIS FAMILY.

~~CLASSIFIED BY E-3 DECLASSIFY ON QADD~~

BT

#0040

ATATAT

P 131303Z MAR 84

FM BERN (183D-54) (P)

TO DIRECTOR (186B-2842) ROUTINE 131-13

BT

UNCLAS F E T O

MARC RICH - FUGITIVE; RICHARD GREEN - FUGITIVE; ET AL; RICO; FEM;
ME; TAX EVASION; TRADING WITH THE ENEMY. OO: NEW YORK.

RE NEW YORK AIRTEL FEBRUARY 24, 1984.

REPRESENTATIVES OF THE STATE DEPARTMENT IN THE AMERICAN
EMBASSY, BERN, HAVE REVIEWED THE INDICTMENT FORWARDED AS AN
ENCLOSURE TO BEAIRTEL. THEY HAVE INDICATED THAT THIS INDICTMENT
WAS "SUPERSEDED" PARTIALLY IN ORDER TO INCLUDE SOME MINOR
TECHNICAL CHANGES. THE EMBASSY WOULD LIKE TO PRESENT A COPY OF
THE AMENDED INDICTMENT TO THE SWISS GOVERNMENT OFFICIALS WITH WHOM
THEY ARE IN CONTACT, AND THEY REQUESTED THAT A COPY OF THE AMENDED
VERSION OF THE INDICTMENT BE OBTAINED.

NEW YORK IS REQUESTED TO OBTAIN SUCH AN AMENDED VERSION FROM
THE OFFICE OF THE USA AND TO FORWARD IT TO BERN VIA INTERNATIONAL
AIRMAIL TO P. O. BOX 1365. CH 3005 BERN, SWITZERLAND.

ADMINISTRATIVE: FBIHQ RELAY TO NEW YORK.

BT

183D-54-51

SEARCHED _____
SERIALIZED BY _____
INDEXED _____
FILED BY _____

Am
APR/84

L

b6
b7C

P 140500Z MAR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 015-14

LEGAL ATTACHE ROMM PRIORITY 433-14

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCHUS GREEN-FUGITIVE; ET AL; RICO; FBM; MAIL
FRAUD; TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

BY TELETYPE DATED 3/13/84 FBI NEW YORK ADVISED:

REMYTEL TO BUREAU, DATED JANUARY 31, 1984 AND FEBRUARY 03,
1984, AND NUMEROUS TELCALS BETWEEN FBIHQ AND NEW YORK.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

[REDACTED] SOURCE ADVISED ON MARCH 9, 1984, [REDACTED]

b7D
b7F

183D-54-53

MAR 1 1984

b6
b7C

PAGE TWO OF HQ 0017 ~~SECRET~~

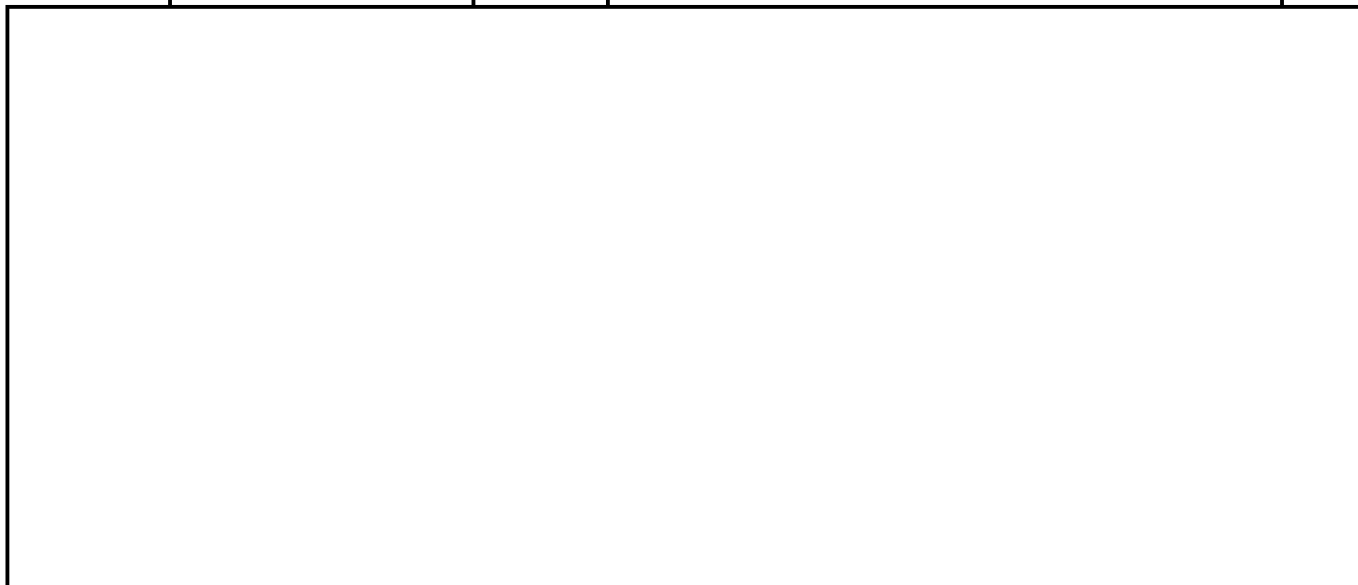
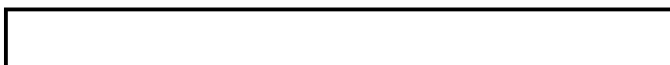


b7D
b7F

ON



SOURCE



b7D
b7F



b7D
b7F
b7E

PAGE THREE DE HQ 0017-~~SECRET~~

[REDACTED] AND MAY BE
CONSIDERED ARMED AND DANGEROUS.

ADMINISTRATIVE

b7D

b7F

b7E

[REDACTED] SOURCE IS [REDACTED]

THIS INFORMATION IS SINGULAR IN NATURE AND HIGHLY CONFIDENTIAL
AND SHOULD NOT BE DISSEMINATED OUTSIDE THE FBI IN ORDER TO PROTECT
THE IDENTITY OF THE SOURCE. [REDACTED]

BT

#0017

NNNN

b6
b7C

D

D 030433Z MAR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 058-03

LEGAL ATTACHE BONN PRIORITY 497-03

BT

~~SECRET~~

MARC RICH-FUGITIVE; RICHARD GREEN-FUGITIVE. [REDACTED] MARC RICH
AND COMPANY, A.C.; MARC RICH AND COMPANY INTERNATIONAL, LTD., AKA
CLARENDON A.C.; RICO. FRM. ME. TAX EVASION; TRADING WITH THE ENEMY.
OO: NEW YORK.

b6
b7C

BY TELETYPE DATED 3/22/84 FBI NEW YORK ADVISED;

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

b6
b7C

183 D-54-55

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 2 1984	

[REDACTED] *lm*

PAGE TWO OF HQ 0004 ~~SECRET~~

DEMYTEL, DATED MARCH 5, 1984, AND LEGAT, BONN, TELCAL,
MARCH 01, 1984.

FOR INFORMATION OF BUREAU AND LEGAT, BONN, A RELIABLE [REDACTED]

[REDACTED] SOURCE OBTAINED THE FOLLOWING INFORMATION ON [REDACTED]
[REDACTED]
[REDACTED]

SOURCE PROVIDED THE FOLLOWING INFORMATION:

SOURCE LEARNED [REDACTED]
[REDACTED]

IN REGARD TO [REDACTED]
[REDACTED]

IN REGARD TO [REDACTED]
[REDACTED]

b7D
b7F

b7D
b7F

b7D
b7F

b7D
b7F

PAGE THREE DE HQ 0004 ~~SECRET~~

b7D
b7F

SOURCE LEARNED THE

b6
b7C
b7D
b7F

b7D
b7F

RECEIVING OFFICES WILL BE KEPT ADVISED OF DEVELOPMENTS.

PAGE FOUR DE HQ 0004 ~~SECRET~~

ADMINISTRATIVE



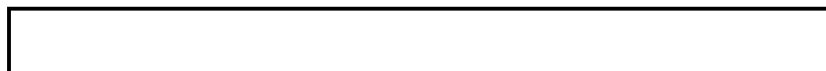
SOURCE MENTIONED ABOVE IN



b7D

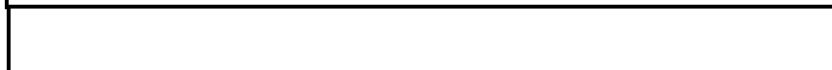
b7F

SOURCE PLANS TO

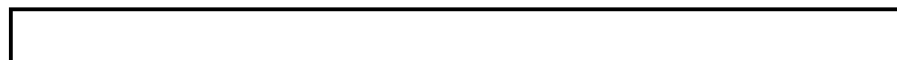


b7D

b7F



IN REGARD TO



b7D

b7F

b7E

PAGE FIVE DE HQ 0004 ~~SECRET~~

[REDACTED]

b7D
b7F
b7E

SOURCE LEARNED THAT [REDACTED]

[REDACTED]

b7D
b7F

FINALLY, SOURCE HEARD THAT [REDACTED]

[REDACTED]

b7D
b7F

MY WILL MAKE TENTATIVE [REDACTED]

[REDACTED]

b7E
b7D

PAGE SIX DE HQ 0004 ~~SECRET~~

[REDACTED]

BUREAU AND

b7E

LEGAT, ROMN WILL BE ADVISED OF

[REDACTED]

ONCE THEY ARE

b7D

FINALIZED.

~~BY 8-31 DEOL: QADP.~~

BT

#0004

NNNNAT

cc given to
Leon Connors

183A-54-58

SEARCHED	INDEXED
SERIALIZED	FILED
APR 9 1984	
FBI - EERN	
<i>me</i>	

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

- - - - - x

UNITED STATES OF AMERICA :

- v - :

INDICTMENT

MARC RICH, PINCUS GREEN, :
CLYDE MELTZER, MARC RICH + CO., :
A.G., and MARC RICH + CO. :
INTERNATIONAL, LTD., now known as :
"Clarendon Ltd." :

S 83 Cr. 579 (SWK)

Defendants. :

- - - - - x

COUNTS ONE THROUGH TWENTY-THREE

THE SCHEME TO DEFRAUD THE IRS

The Grand Jury charges:

Introduction

At all times relevant to this Indictment, except as
otherwise indicated:

1. The defendant MARC RICH is a United States citizen
and a principal shareholder and Chairman of the Board of
Directors of the defendant MARC RICH + CO., A.G. ("AG"), and
Chairman of the defendant MARC RICH + CO. INTERNATIONAL, LTD.
now known as "Clarendon Ltd.," ("INTERNATIONAL"). In or about
the summer of 1983, the defendant MARC RICH left the United
States and has not returned.

2. The defendant PINCUS GREEN is a United States
citizen and a principal shareholder and member of the Board of
Directors of the defendant AG, and President of the defendant
INTERNATIONAL. In or about the summer of 1983, the defendant
PINCUS GREEN, left the United States and has not returned.

3. The defendant CLYDE MELTZER is a United States citizen and vice-president in charge of crude oil trading for Listo Petroleum, Houston, Texas. In or about late summer 1982, the defendant CLYDE MELTZER was hired as a crude oil trader by the defendant INTERNATIONAL.

4. The defendant AG is a Swiss corporation which is engaged in the worldwide business of trading commodities, including crude oil, and transacts and does business in the United States. The defendant AG does not file United States corporate income tax returns.

5. The defendant INTERNATIONAL is a wholly-owned Swiss subsidiary of the defendant AG, which is in the business of trading commodities, including crude oil, in the United States. The defendant INTERNATIONAL has its principal offices in New York City and in Zug, Switzerland. The defendant INTERNATIONAL files United States corporate income tax returns. During 1980 and 1981, revenues generated by the defendant INTERNATIONAL from crude oil trading constituted the principal part of the defendant INTERNATIONAL's reportable income in the United States for corporate income tax purposes. As a reseller and trader of crude oil in the United States, defendant INTERNATIONAL was also subject to the oil price control rules and regulations administered by the Department of Energy as set forth in Paragraphs 12 through 21 below. In or about July 1983, the defendant AG purported to sell the defendant INTERNATIONAL to all shareholders of the defendant AG except the defendants MARC

RICH and PINCUS GREEN, who remain the principal shareholders of the defendant AG. As a result of the purported sale, the name of the defendant INTERNATIONAL was changed to Clarendon Ltd.

6. Rescor, Inc. ("Rescor") and Highams Consultants ("Highams") are wholly-owned Panamanian subsidiaries of the defendant AG engaged in the business of trading crude oil. Rescor and Highams do not maintain separate sets of books and records from the defendant AG.

The Scheme to Defraud

7. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, the defendants, together with others known and unknown to the Grand Jury ("co-schemers"), unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and an agency thereof, to wit, the Internal Revenue Service, in its lawful governmental function of administering and overseeing the collection of taxes in the United States, and to obtain money and property by false and fraudulent pretenses, representations and promises. The defendants engaged in this scheme as part of a pattern of racketeering activity in which they concealed in excess of \$100 million in taxable income of the defendant INTERNATIONAL, most of which income was illegally generated

through the defendants' violations of federal energy laws and regulations. This scheme, and pattern of racketeering activity, enabled the defendant INTERNATIONAL to evade in excess of \$48 million in United States taxes for the 1980 and 1981 tax years.

8. It was part of said scheme and artifice to defraud the IRS that the defendants MARC RICH and PINCUS GREEN would and did cause third party companies, to wit, West Texas Marketing ("WTM"), Abilene, Texas, and Listo Petroleum ("Listo"), Houston, Texas, with the aid of the defendant CLYDE MELTZER, to conduct business for and on behalf of the defendant INTERNATIONAL and to conceal approximately \$71 million in domestic profits belonging to the defendant INTERNATIONAL by making it appear that such profits had in fact been earned by WTM and Listo rather than by the defendant INTERNATIONAL.

9. It was further part of said scheme and artifice to defraud the IRS that the \$71 million in domestic profits of the defendant INTERNATIONAL being concealed and held by WTM and Listo would be and were moved by wire transfers to foreign bank accounts of the defendant AG and its wholly-owned subsidiaries Rescor and Highams through a series of sham transactions involving foreign crude oil, in which WTM and Listo purportedly "lost" to the defendant AG amounts equivalent to the concealed profits actually belonging to the defendant INTERNATIONAL.

10. It was further part of said scheme and artifice to defraud the IRS that the defendants and their co-schemers would and did create in excess of \$31 million in fraudulent deductions for the defendant INTERNATIONAL by fabricating transactions between the defendants AG and INTERNATIONAL relating to offshore oil deals between the defendant AG and Charter Oil Company Bahamas. As a result of these sham transactions, over \$31 million in taxable income was diverted from the defendant INTERNATIONAL offshore to the defendant AG.

11. It was a further part of said scheme and artifice to defraud the IRS that the defendants and their co-schemers would and did create \$2,716,510.00 in fraudulent deductions for the defendant INTERNATIONAL by fabricating a transaction between the defendant INTERNATIONAL and Rescor involving the purchase of foreign crude oil by Rescor. As a result of this sham transaction, \$2,716,510.00 in taxable income was diverted from the defendant INTERNATIONAL offshore to the defendant AG through Rescor.

Background: Oil Price Control Regulations

12. The Emergency Petroleum Allocation Act (EPAA) of 1973, Title 15, United States Code, Section 751, et seq., and the regulations promulgated thereunder (the "regulations"), provided for price controls and mandatory allocation of all crude oil produced in or imported into the United States.

13. Under various of the regulations, the United States, through the Department of Energy ("DOE"), limited the prices that could be charged for domestic crude oil. Under the regulations, the permissible price was different for different regulatory categories of crude oil.

14. The regulatory categories of crude oil were "old" (also called "lower tier"), "new" (also called "upper tier") and "stripper." Crude oil was categorized or labelled "old," "new", or "stripper" depending on the history or the level of production of the well from which the oil came. Crude oil coming from a well at or below a designated 1972 level of production was labelled "old"; "new" oil referred to crude oil discovered since 1973 or oil obtained from existing wells in excess of the 1972 level of production; "stripper" oil referred to crude oil produced from a well whose average daily production was less than ten barrels. These categories (or labels) corresponded to price control categories and were not based on any physical or chemical characteristics of the oil. Since the oil was physically identical, oftentimes a quantity of domestic crude oil contained components of old oil, new oil and stripper. A barrel of domestic crude oil with a new oil or old oil component was referred to as a "controlled barrel." Stripper oil was referred to as "uncontrolled."

15. Old oil (lower tier) had the lowest maximum lawful selling price. New oil (upper tier) had a higher maximum lawful selling price than old oil. Stripper oil was exempt from price controls and could be sold at the world market price which was far in excess of the prices for old and new oil. Depending on the type of crude oil, a stripper barrel would at relevant times sell for in excess of \$20 more than a lower tier barrel and \$15 more than an upper tier barrel of like quality.

16. Under the regulations, an entity which purchased and resold crude oil without substantially changing its form by refining, processing or other means was defined as a crude oil reseller. The defendant INTERNATIONAL was a crude oil "reseller" under the regulations.

17. Every seller or reseller of a volume of domestic crude oil was required by the regulations to certify in writing to the purchaser the respective amounts and prices of old oil, new oil, and stripper oil contained in the crude oil being sold. The DOE periodically audited and reviewed the records of sellers and purchasers of crude oil, which records were required to be kept by law, to determine compliance with the regulations.

18. During the period of price controls, in order to evade the regulations and produce huge profits, controlled oil was on occasion sold through a series of oil resellers known in the crude oil industry as a "daisy chain." The defendant INTERNATIONAL frequently participated as the original reseller of controlled oil into a "daisy chain." The "daisy chain" was

utilized by the original reseller to make it extremely difficult to trace the movement of controlled barrels and to facilitate alteration of the certifications on controlled barrels into stripper barrels (uncontrolled) which could then be sold at the much higher world market price. The original reseller of controlled oil into the "daisy chain" would receive, at the conclusion of the "daisy chain," an equivalent quantity of crude oil certified as stripper barrels at drastically discounted prices from the world market value. The original reseller would then sell these stripper barrels at the world market price and realize enormous profits. Each of the oil companies in the "daisy chain" made a smaller profit.

19. Under the regulations, the maximum lawful selling price set by the DOE for a barrel of old oil or new oil only controlled the price of that barrel the first time it was sold in the United States market. To control the price of that barrel when it was resold, the DOE simply limited the amount of markup a reseller could add to the original price. The same markup restrictions were used to limit the price of stripper oil when it was resold. Thus, while the price of a barrel of stripper oil was uncontrolled the first time it was sold in the United States market, if that barrel was resold, the DOE limited the markup the reseller could add to the original, uncontrolled price. The DOE restricted the amount of markup a reseller could add to the price of oil by establishing a "permissible average markup" ("PAM") for resellers. Effective

September 1, 1980, the DOE established a permissible average markup of 20¢ per barrel for a reseller such as the defendant INTERNATIONAL. In the event that a reseller's actual average markup, computed on a monthly basis, exceeded its PAM, the excess profits were illegal.

20. Resellers were required on a monthly basis to submit forms ERA-69 to the DOE setting forth their actual average markup per barrel for crude oil sales. On the ERA-69, resellers were required to set forth the dollar amount of any PAM overcharges in order that the overcharges could be immediately refunded to customers.

21. The defendant INTERNATIONAL was a reseller subject to the 20¢ per barrel PAM and was required to file forms ERA-69 on a monthly basis.

Methods and Means

22. Among the methods and means employed by the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL and their co-schemers to effectuate the scheme to defraud the IRS, were the following:

The West Texas Marketing "Pot"

(a) Prior to September 1980 and the imposition of the 20¢ per barrel PAM, the defendants MARC RICH and PINCUS GREEN for the defendant INTERNATIONAL would and did transact numerous "daisy chain" crude oil deals with West Texas Marketing ("WTM"), a crude oil reseller in Abilene, Texas.

In those "daisy chain" deals, WTM would and did purchase from the defendant INTERNATIONAL domestic controlled oil upon WTM's agreement to sell back to the defendant INTERNATIONAL, after passage through a "daisy chain," an equal quantity of stripper oil (uncontrolled) at a substantial discount from the world market price. The defendant INTERNATIONAL then sold that discounted stripper oil to third parties for huge profits. Prior to September 1980, the substantial profits from these transactions were recorded on the books and records of the defendant INTERNATIONAL.

(b) The defendants MARC RICH and PINCUS GREEN agreed with the principals of WTM that beginning in September 1980, when the defendant INTERNATIONAL was limited by law to a 20¢ per barrel PAM, WTM would alter its "daisy chain" transactions with the defendant INTERNATIONAL so that the huge profits of the defendant INTERNATIONAL from these crude oil transactions would be retained for it by WTM, rather than being reflected on the books and records of the defendant INTERNATIONAL as before. In these post-September 1, 1980 transactions, WTM would and did continue to buy controlled barrels from the defendant INTERNATIONAL at the controlled price and would and did agree to produce for the defendant INTERNATIONAL an equal number of stripper barrels at a price substantially below the market value. However, rather than sell these cheap stripper barrels back to the defendant INTERNATIONAL at the lower price as previously, WTM agreed

ostensibly to sell the stripper barrels to the defendant INTERNATIONAL, or to third party companies designated by the defendant INTERNATIONAL, at the higher market price. From these deals, WTM purportedly reflected huge profits on its books, which profits were referred to as the "pot."

(c) The defendants MARC RICH and PINCUS GREEN and the principals of WTM further agreed that the huge profits in the "pot" belonged to the defendant INTERNATIONAL and would be retained by WTM in its bank accounts for the defendant INTERNATIONAL.

(d) To further conceal the scheme, the defendants and their co-schemers would and did cause WTM to prepare and mail invoices to the defendant INTERNATIONAL which falsely indicated that WTM had sold the stripper barrels to the defendant INTERNATIONAL at the high world market price, when in truth and in fact the defendant INTERNATIONAL was paying a far lower price upon WTM's agreement secretly to kickback to the defendants the huge profits held by WTM for the defendant INTERNATIONAL in the "pot".

(e) The monies in the "pot" were periodically moved out of the United States at the instance of the defendants MARC RICH and PINCUS GREEN, for the defendant INTERNATIONAL, to foreign bank accounts of the defendant AG and its foreign subsidiaries Rescor and Highams through sham transactions, wherein WTM would

incur pre-arranged "losses" to the defendant AG and its foreign subsidiaries. For example, in many of these transactions the defendant AG would purportedly sell a cargo of foreign crude oil to WTM, and then WTM would ostensibly sell the same oil back on the same day to Rescor, the defendant AG's subsidiary, for \$3 per barrel less than WTM had paid for it. The \$3 per barrel more which WTM paid AG, over the amount WTM received from Rescor, came out of the "pot." These transactions were a sham in that they were utilized by the defendants solely to remove monies from the "pot" and move the profits offshore. The defendants paid WTM a small fee per barrel to engage in these sham loss transactions.

(f) On or about April 30, 1981, the defendant MARC RICH and others met in New York, New York with representatives of WTM to discuss the amount remaining in the WTM "pot". The defendant MARC RICH and the principals of WTM agreed on a compromise "pot" amount of \$1,215,000.00 and as a result of the meeting, the \$1,215,000.00 from the "pot" was moved out of the United States to the defendant AG through a sham foreign loss transaction involving AG's subsidiary Highams.

(g) From in or about October 1980, through May 1981, the defendants moved and caused to be moved in excess of \$23 million of the defendant INTERNATIONAL's income offshore to the defendant AG and its foreign subsidiaries from the WTM "pot".

(h) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-schemers would and did transmit, and cause to be transmitted,

telefaxes, and wire transfers of monies from the "pot" sent by WTM from the United States to foreign bank accounts of the defendant AG and its subsidiary Highams resulting from transactions involving oil tankers, as set forth below in Counts 1 through 9 hereinbelow.

The Listo "Pot"

(i) In and around September 1980, the defendants and their co-schemers would and did agree with Listo Petroleum Corporation ("Listo"), a crude oil reseller in Houston, Texas, to a scheme which was essentially a duplicate of the WTM scheme set forth above, in order to conceal additional profits of the defendant INTERNATIONAL from sales of domestic crude oil by retaining the defendant INTERNATIONAL's profits on the books and records of Listo. Just as with the WTM scheme, the defendants and their co-schemers referred to these monies as the "pot." As with the WTM scheme, these huge profits were moved from the books of Listo offshore to foreign bank accounts of defendant AG and its foreign subsidiaries through a series of sham foreign loss transactions wherein Listo would incur pre-arranged "losses" to the defendant AG and its foreign subsidiary Rescor on the purchase and sale of foreign crude oil. Also as with the WTM scheme, these transactions included deals in which Listo would buy crude oil from the defendant AG and then immediately resell the same oil back to Rescor, paying AG \$3 more per barrel than Listo received from Rescor. As with the WTM scheme, this sham loss of \$3 per barrel was paid out of the "pot".

(j) In or about August 1980, the defendants MARC RICH and PINCUS GREEN on behalf of the defendant INTERNATIONAL, negotiated with representatives of Atlantic Richfield Company ("Arco") to purchase controlled barrels of a particular type of domestic crude oil known as Alaskan North Slope ("ANS") oil. After a series of negotiations, the defendants MARC RICH and PINCUS GREEN for the defendant INTERNATIONAL agreed to purchase from Arco approximately 18 million ANS controlled barrels to be delivered in 1980 and 1981. The defendants MARC RICH and PINCUS GREEN subsequently informed Arco that Listo, rather than the defendant INTERNATIONAL, would be the contracting party with Arco on the deal. The ANS barrels from the Arco deal comprised the majority of barrels from which "pot" monies were collected for the defendant INTERNATIONAL on the books of Listo.

(k) As with the WTM scheme, the defendant CLYDE MELTZER for Listo agreed to acquire for the defendant INTERNATIONAL stripper ANS barrels at prices far below the world market price. As with the WTM scheme, Listo agreed to sell the stripper ANS barrels to the defendant INTERNATIONAL ostensibly at the higher market price, thereby purportedly reflecting huge profits on Listo's books.

(l) To further conceal the scheme, the defendants and their co-schemers would and did cause Listo to prepare and mail invoices to the defendant INTERNATIONAL which falsely indicated that Listo had sold the stripper barrels at the high world market

price, when in truth and in fact the defendant INTERNATIONAL was paying a far lower price upon Listo's agreement to secretly kick-back to the defendants the huge profits kept by Listo for the defendant INTERNATIONAL in the "pot."

(m) In 1980 and 1981, the defendants moved and caused to be moved in excess of \$47 million of the defendant INTERNATIONAL's income offshore to the defendant AG from the Listo "pot".

(n) The defendants MARC RICH and PINCUS GREEN regularly met in New York with the defendant CLYDE MELTZER to discuss the Listo "pot". At these meetings, the defendant CLYDE MELTZER would give the defendants MARC RICH and PINCUS GREEN records accounting for monies currently in the "pot".

(o) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-schemers would and did transmit, and cause to be transmitted, wire transfers of monies from the "pot" sent by Listo from the United States to foreign bank accounts of the defendant AG resulting from transactions involving oil tankers, as set forth in Counts 10 through 20 hereinbelow.

The Charter False Deductions

(p) In and around May 1980, the defendants and their co-schemers entered into a transaction with Charter Crude Oil Company ("Charter") wherein Charter agreed to sell the defendant INTERNATIONAL domestic controlled barrels and the defendant AG agreed to sell Charter's Bahamian subsidiary foreign crude oil at substantial discounts from the world market price. The transaction

called for the delivery of controlled barrels to the defendant INTERNATIONAL and the delivery of foreign barrels from the defendant AG to Charter's Bahamian subsidiary on a monthly basis from June 1980, through at least December 1980. The vast majority of the controlled barrels delivered by Charter to the defendant INTERNATIONAL were sold by the defendants to WTM in "daisy chain" transactions, and the defendant INTERNATIONAL realized substantial profits.

(q) Subsequently, in or about late summer 1980, the defendants prepared fraudulent invoices in order illegally to transfer much of the defendant INTERNATIONAL's profits from these transactions offshore to the defendant AG. The defendant AG invoiced the defendant INTERNATIONAL for \$31,106,273.08, charging the defendant INTERNATIONAL for the difference between the discounted price (the price that the defendant AG had sold the foreign crude oil to Charter's Bahamian subsidiary) and the purported world market price for the crude oil. These false and fraudulent invoices and the subsequent entries on the defendant INTERNATIONAL's books falsely purported that the defendant INTERNATIONAL had purchased the foreign crude oil from the defendant AG at its "fair market value" and subsequently sold the foreign crude oil to Charter's Bahamian subsidiary at a substantial discount, when in truth and in fact the defendant INTERNATIONAL had never purchased the foreign crude oil from the defendant AG or sold it to Charter's subsidiary. The defendant

MARC RICH instructed the comptroller for the defendant INTERNATIONAL to notify his counterpart at the defendant AG in Zug, Switzerland, to prepare these fraudulent invoices. As a result, the defendant INTERNATIONAL fraudulently reduced the amount of the defendant INTERNATIONAL's taxable income for 1980 by \$31,106,273.08 and transferred most of that sum offshore to the defendant AG.

(r) In and around September 1980, in order to make the invoices further appear as if there had been an actual contract between the defendant AG and the defendant INTERNATIONAL, the defendant AG sent the defendant INTERNATIONAL new invoices which read "contract price" rather than "fair market value." The old invoices were destroyed and the new invoices were placed in the defendant INTERNATIONAL's records.

(s) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-schemers would and did transmit, and cause to be transmitted, wire transfers of monies sent by the defendant INTERNATIONAL from the United States to foreign bank accounts of the defendant AG resulting from transactions involving oil tankers, as set forth below in Counts 21 and 22 hereinbelow.

The Arco False Deduction

(t) In or about the Fall of 1980, the defendants and their co-schemers would and did cause a fraudulent invoice to be prepared wherein Rescor invoiced the defendant INTERNATIONAL for \$2,716,510.00. This invoice concerned a non-existent contract

between Rescor and the defendant INTERNATIONAL concerning the sale of foreign crude oil to Rescor by the defendant INTERNATIONAL. The fraudulent invoice made it appear that the defendant INTERNATIONAL had a contract with Rescor to sell it foreign crude oil. The fraudulent invoice made it further appear that the defendant INTERNATIONAL had failed to provide the oil under this purported contract and that consequently Rescor had had to purchase a similar quantity of oil from Arco at five dollars per barrel above the purported contract price between Rescor and the defendant INTERNATIONAL. As a result, the defendants fraudulently reduced the amount of the defendant INTERNATIONAL's taxable income for 1980 by \$2,716,510.00 and transferred that sum offshore to the defendant AG.

(u) Just as with the fraudulent Charter invoices, the defendant MARC RICH instructed the comptroller of the defendant INTERNATIONAL to notify his counterpart at the defendant AG in Zug, Switzerland to prepare this fraudulent invoice for Rescor to be delivered to the defendant INTERNATIONAL.

(v) For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants and their co-schemers would and did transmit, and cause to be transmitted, a wire transfer from the defendant INTERNATIONAL to Rescor for a shipment on the oil tanker "Wind Escort," as set forth in Count 23 hereinbelow.

Jurisdictional Allegations

23. For the purposes of executing the scheme and artifice to defraud the DOE and attempting to do so, on or about the dates set forth below, the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL unlawfully, wilfully and knowingly, did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, certain telexes, telefaxes and cable and wire transfers of monies, all as more particularly set forth in Counts 1 through 23 herein below:

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
		<u>WIM "pot"</u>	
1	wire transfer to AG of \$12,507,818.40 (including \$1,786,831.00 from the pot) by WIM: "Arctic Star"	October 21, 1980	Rich, Green, AG and International
2	wire transfer to AG of \$4,050,000.00 by WIM from the "pot": "Norse King"	October 23, 1980	Rich, Green, AG and International
3	wire transfer to AG of \$5,384,217.00 by WIM from the "pot": "Olympic Bond"	January 5, 1981	Rich, Green, AG and International
4	wire transfer to AG of \$5,000,000.00 by WIM from the "pot": "Nia Rocco Piaggio" and "Okinoshima Maru"	January 30, 1981	Rich, Green, AG and International
5	wire transfer to AG of \$1,199,974.00 by WIM from the "pot": "Okinoshima Maru"	February 9, 1981	Rich, Green, AG and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
6	wire transfer to AG of \$5,141,709.00 by WIM from the "pot": "Romo Maersk"	February 23, 1981	Rich, Green, AG and International
7	telefaxes of handwritten notes re WIM pot from International to WIM	February 1, 1981	Rich, Green AG and International
8	telefax of typewritten summary re WIM pot from WIM to International	February 9, 1981	Rich, Green, AG and International
9	telefax of typewritten summary re WIM pot from International to WIM	February 10, 1981	Rich, Green, AG and International
	<u>Listo "Pot"</u>		
10	wire transfer to AG of \$32,950,790.78 (including \$4,131,620.24 from the pot) by Listo: "Montessa"	December 5, 1980	Rich, Green, Meltzer, AG, and International
11	wire transfer to AG of \$4,259,844.00 by Listo from the "pot": " Universe Explorer"	December 15, 1980	Rich, Green, Meltzer, AG, and International
12	wire transfer to AG of \$18,605,470.63 (including \$2,241,743.45 from the "pot") by Listo: "Alnair II"	December 23, 1980	Rich, Green, Meltzer, AG, and International
13	wire transfer to AG of \$19,946,906.84 (including \$2,266,694.30 from the "pot") by Listo: "Lamyra"	December 31, 1980	Rich, Green, Meltzer, AG, and International
14	wire transfer to AG of \$5,291,409.80 by Listo from the "pot": "Arctic Star"	January 27, 1981	Rich, Green, Meltzer, AG, and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
15	wire transfer to AG of \$3,349,660.34 by Listo from the "pot": "Ionian Commander"	January 30, 1981	Rich, Green, Meltzer, AG, and International
16	wire transfer to AG of \$1,873,584.45 by Listo from the "pot": "Jeci"	February 2, 1981	Rich, Green, Meltzer, AG, and International
17	wire transfer to AG of \$6,396,202.22 by Listo from the "pot": "Keiyoh Maru"	February 11, 1981	Rich, Green, Meltzer, AG, and International
18	wire transfer to AG of \$5,315,478.50 by Listo from the "pot": "White Gardenia"	March 3, 1981	Rich, Green, Meltzer, AG, and International
19	wire transfer to AG of \$9,452,307.00 by Listo from the "pot": "Jamunda" and "Norse King"	May 5, 1981	Rich, Green, Meltzer, AG, and International
20	wire transfer to Rescor of \$3,000,000.00 by Listo: "Philip of Macedon" and "Okinoshima Maru"	May 14, 1981	Rich, Green, Meltzer, AG, and International

Charter False Deductions

21	wire transfer to AG of \$29,157,628.90 by International: "Luna Mar", "Devali," "World Scholar" and "Ratna Jayshree"	September 29, 1980	Rich, Green, AG and International
22	wire transfer to AG of \$1,659,472.80 by International: "Santamar"	April 7, 1981	Rich, Green, AG and International

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
		<u>Arco False Deduction</u>	
23	wire transfer to Rescor of \$2,716,510.00 by International: "Wind Escort"	August 27, 1981	Rich, Green, AG and International

(Title 18, United States Code, Sections 1343 and 2.)

COUNTS TWENTY-FOUR THROUGH THIRTY-EIGHT

THE SCHEME TO DEFRAUD THE
DEPARTMENT OF ENERGY

The Grand Jury further charges:

24. Each and every allegation contained in Paragraphs 1 through 23, and all of subparts thereof, of Counts One through Twenty-three of this Indictment is realleged and incorporated by reference herein as if fully set forth.

25. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, together with others known and unknown to the Grand Jury ("co-schemers"), unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and an agency thereof, to wit, the Department of Energy, in its lawful governmental function of administering and overseeing the laws and regulations which provided for price controls and markup requirements for the sale of crude oil produced in or imported into the United States, and to obtain money and property by false and fraudulent pretenses, representations and promises.

Methods and Means

26. It was part of the defendants' scheme and artifice to defraud the DOE that the huge profits of the defendant INTERNATIONAL held on the books of Listo and WTM were derived by the defendants through a deliberate attempt to violate and circumvent the price control and permissible average markup regulations of the DOE, through the methods and means described in Paragraphs 22 and 23, and the subparts thereof, above.

27. Among the additional methods and means employed by the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL and their co-schemers to carry out the scheme and artifice to defraud the DOE were the following:

(a) The defendants and their co-schemers would and did cause forms ERA-69 for the defendant INTERNATIONAL to be prepared and filed with the DOE for the months September 1980 through January 1981, which forms ERA-69 falsely failed to reflect the approximately \$71 million of profits of the defendant INTERNATIONAL kept in the WTM and Listo "pots." Instead, these forms ERA-69 fraudulently stated that the defendant INTERNATIONAL was losing money on its crude oil sales for these months and that its average markup for crude oil sales was within its 20¢ per barrel permissible average markup.

(b) The defendants and their co-schemers would and did cause to be prepared and mailed to the defendant INTERNATIONAL the false and fraudulent invoices from WTM and from Listo described in Paragraphs 22(d) and 22(1) above.

28. For the purposes of executing the scheme and artifice to defraud the DOE and attempting to do so, on or about the dates set forth below, the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL unlawfully, wilfully and knowingly, did place and cause to be placed in a post office and authorized depository for mail matter and did cause to be delivered by mail according to the directions thereon certain mail matter to be sent and delivered by the United States Postal Service, all as more particularly set forth in Counts 24 through 38 hereinbelow:

<u>COUNT</u>	<u>MAIL COMMUNICATION</u>	<u>APPROXIMATE DATE OF MAILING</u>	<u>DEFENDANT</u>
24	ERA-69 for September 1980 Sent by Express Mail to DOE	December 1, 1980	Rich, Green, Meltzer, AG and International
25	ERA-69 for November 1980 Sent by Express Mail to DOE	January 30, 1981	Rich, Green, Meltzer, AG and International
26	ERA-69 for December 1980 Sent by Express Mail to DOE	January 27, 1981	Rich, Green, Meltzer, AG and International
27	ERA-69 for January 1981 Sent by Express Mail to DOE	March 31, 1981	Rich, Green, Meltzer, AG and International
28	Invoice No. S9-041 mailed to International by WTM for 69,000 barrels at \$2,280,450.00	October 7, 1980	Rich, Green, AG and International
29	Invoice No. S10-068 mailed to International by WTM for 83,700 barrels at \$2,787,210.00	November 6, 1980	Rich, Green, AG and International
30	Invoice No. S10-069 mailed to International by WTM for 71,300 barrels at \$2,374,290.00	November 6, 1980	Rich, Green, AG and International

<u>COUNT</u>	<u>MAIL COMMUNICATION</u>	<u>APPROXIMATE DATE OF MAILING</u>	<u>DEFENDANT</u>
31	Invoice No. S11-051 mailed to International by WTM for 150,000 barrels at \$4,995,000.00	December 4, 1980	Rich, Green, AG and International
32	Invoice No. 0989 mailed to International by Listo for 313,629 barrels at \$9,879,313.50: "Sinclair Texas"	January 7, 1981	Rich, Green, Meltzer, AG and International
33	Invoice No. 1126 mailed to International by Listo for 261,486.49 barrels at \$10,036,575.96: "Sinclair Texas"	January 21, 1981	Rich, Green, Meltzer, AG and International
34	Invoice No. 1138 mailed to International by Listo for 405,544.61 barrels at \$15,714,853.64: "Prudhoe Bay"	January 26, 1981	Rich, Green, Meltzer, AG and International
35	Invoice No. 1139 mailed to International by Listo for 458,532 barrels at \$15,360,822.00: "Overseas New York"	January 26, 1981	Rich, Green, Meltzer, AG and International
36	Invoice No. 1140 mailed to International by Listo for 53,844.39 barrels at \$2,086,470.11: "Sinclair Texas"	January 26, 1981	Rich, Green, Meltzer, AG and International
37	Invoice No. 1271 mailed to International by Listo for 292,809 barrels at \$10,043,348.70: "Arco Heritage"	February 24, 1981	Rich, Green, Meltzer, AG and International
38	Invoice No. 1267 mailed to International by Listo for 332,390.25 barrels at \$11,068,595.33: "Arco Heritage"	February 24, 1981	Rich, Green, Meltzer, AG and International

(Title 18, United States Code, Sections 1341 and 2.)

COUNT THIRTY-NINE

RACKETEERING

The Grand Jury further charges:

29. Each and every allegation contained in Paragraphs 1 through 28, and all subparts thereof, of Counts One through Thirty-eight of this Indictment is realleged and incorporated by reference and the subparts thereof as if fully set forth.

30. From on and about January 1, 1980, up to and including the date of filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, being individuals and entities employed by and associated with an enterprise, as defined in 18 U.S.C. § 1961(4), engaged in and the activities of which affect interstate and foreign commerce, to wit, AG and its wholly-owned subsidiaries, the defendant INTERNATIONAL, Rescor and Highams, together with others known and unknown to the Grand Jury ("co-racketeers"), unlawfully, wilfully and knowingly, did conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, as defined in 18 U.S.C. § 1961(5), consisting of the acts of racketeering including wire fraud, indictable under Title 18, United States Code, Section 1343, as set forth in Paragraphs 1 through 23 and all subparts thereof, of Counts One through Twenty-three of this

Indictment, and mail fraud, indictable under Title 18, United States Code, Section 1341, as set forth in Paragraphs 24 through 28 of Counts Twenty-four through Thirty-eight, all in violation of Title 18, United States Code, Section 1962(c).

31. The defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, INTERNATIONAL together with their co-racketeers conducted the enterprise through a pattern of racketeering activity wherein the defendants and others concealed in excess of \$100 million in taxable income of the defendant INTERNATIONAL by diverting it, through a series of sham transactions, offshore to the defendant AG. Most of this \$100 million in taxable income was illegally generated through the defendants' violations of federal energy laws and regulations. The enterprise has been used by the defendants to enable the defendant INTERNATIONAL to evade in excess of \$48 million in United States taxes for the 1980 and 1981 tax years.

The Pattern of Racketeering

32. It was a part of the pattern of racketeering activity that from on or about January 1, 1980, up to and including the date of the filing of this Indictment, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, the defendants, together and with their co-racketeers, unlawfully, wilfully and knowingly, would and did devise and intend to devise schemes and artifices to defraud the United States, and agencies thereof, and to obtain money and property by means of false and fraudulent pretenses, representations and promises, to wit:

(i) the Internal Revenue Service ("IRS") in its lawful governmental function of administering and overseeing the collection of taxes in the United States; and

(ii) the Department of Energy ("DOE") in its lawful governmental function of administering and overseeing the laws and regulations which provided for price controls and limited markups on the sale of crude oil produced in or imported into the United States.

33. It was part of the pattern of racketeering activity that MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, the defendants, together and with their co-racketeers, unlawfully, wilfully, and knowingly:

(i) in executing the scheme to defraud the Internal Revenue Service, and attempting to do so, would and did commit the 24 acts of racketeering set forth below, and also set forth in detail in Paragraphs 1 through 23 of Counts One through Twenty-three; and

(ii) in executing the scheme to defraud the Department of Energy, and attempting to do, would and did commit the 15 acts of racketeering set forth below, and also set forth in detail in Paragraphs 24 through 28 of Counts Twenty-four through Thirty-eight .

I. THE SCHEME TO DEFRAUD THE IRS

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANTS</u>
	<u>WIM "Pot"</u>		
(1) wire transfer to AG of \$12,507,818.40 (including \$1,786,831.00 from the "pot") by WIM: "Arctic Star"	October 21, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(2) wire transfer to AG of \$4,050,000.00 by WIM from the "pot": "Norse King"	October 23, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(3) wire transfer to AG of \$5,384,217.00 by WIM from the "pot": "Olympic Bond"	January 5, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(4) wire transfer to AG of \$5,000,000.00 by WIM from the "pot": "Nia Rocco Piaggio" and "Okinoshima Maru"	January 30, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(5) wire transfer to AG of \$1,199,974.00 by WIM from the "pot": "Okinoshima Maru"	February 9, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(6) wire transfer to AG of \$5,141,709.00 by WIM from the "pot": "Romo Maersk"	February 23, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(7) wire transfer to Highams of \$1,215,000.00 by WIM from the "pot": "Philip of Macedon"	May 4, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(8) telefaxes of handwritten notes re WIM pot from International to WIM	February 1, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
(9) telefax of typewritten summary re WIM pot from WIM to International	February 9, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANTS</u>
(10) telefax of typewritten summary re WIM pot from International to WIM	February 10, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
<u>Listo "Pot"</u>			
(11) wire transfer to AG of \$32,950,790.78 (including \$4,131,620.24 from the "pot") by Listo: "Montessa"	December 5, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(12) wire transfer to AG of \$4,259,844.00 by Listo from the "pot": "Universe Explorer"	December 15, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(13) wire transfer to AG of \$18,605,470.63 (including \$2,241,743.45 from the "pot") by Listo: "Alnair II"	December 23, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(14) wire transfer to AG of \$19,946,909.84 (including \$2,266,694.30 from the "pot") by Listo: "Lamyra"	December 31, 1980	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(15) wire transfer to AG of \$5,291,409.82 by Listo from the "pot": "Arctic Star"	January 27, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(16) wire transfer to AG of \$3,349,660.34 by Listo from the "pot": "Ionian Commander"	January 30, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(17) wire transfer to AG of \$1,873,584.45 by Listo from the "pot": "Jeci"	February 2, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(18) wire transfer to AG of \$6,396,201.22 by Listo from the "pot": "Keiyoh Maru"	February 11, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANTS</u>
(19) wire transfer to AG of \$5,315,478.50 by Listo from the "pot": "White Gardenia"	March 3, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(20) wire transfer to AG of \$9,452,307.00 by Listo from the "pot": "Jamunda" and "Norse King"	May 5, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International
(21) wire transfer to Rescor of \$3,000,000.00 by Listo from the "pot": "Philip of Macedon" and "Okinoshima Maru"	May 14, 1981	18 USC §§ 1343 and 2	Rich, Green, Meltzer, AG and International

Charter False Deductions

(22) wire transfer to AG of \$29,157,628.90 by International: "Luna Mar", "Devali," "World Scholar" and "Ratna Jayshree"	September 29, 1980	18 USC §§ 1343 and 2	Rich, Green, AG and International
(23) wire transfer to AG of \$1,659,472.80 by International: "Santamar"	April 7, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International

Arco False Deduction

(24) wire transfer to Rescor of \$2,716,510.00 by International: "Wind Escort"	August 27, 1981	18 USC §§ 1343 and 2	Rich, Green, AG and International
--	-----------------	----------------------	-----------------------------------

II. THE SCHEME TO DEFRAUD THE DOE

(25) ERA-69 for September 1980 Sent by Express Mail to DOE	December 1, 1980	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(26) ERA-69 for November 1980 Sent by Express Mail to DOE	January 30, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(27) ERA-69 for December 1980 Sent by Express Mail to DOE	January 27, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANTS</u>
(28) ERA-69 for January 1981 Sent by Express Mail to DOE	March 31, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(29) Invoice No. S9-041 mailed to International by WIM for 69,000 barells at \$2,280,450.00	October 7, 1980	18 USC §§ 1341 and 2	Rich, Green, AG and International
(30) Invoice No. S10-068 mailed to International by WIM for 83,700 barrels at \$2,787,210.00	November 6, 1980	18 USC §§ 1341 and 2	Rich, Green, AG and International
(31) Invoice No. S10-069 mailed to International by WIM for 71,300 barrels at \$2,374,290.00	November 6, 1980	18 USC §§ 1341 and 2	Rich, Green, AG and International
(32) Invoice No. S11-051 mailed to International by WIM for 150,000 barrels at \$4,995,000.00	December 4, 1980	18 USC §§ 1341 and 2	Rich, Green, AG and International
(33) Invoice No. 0989 mailed to International by Listo for 313,629 barrels at \$9,879,313.50: "Sinclair Texas"	January 7, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(34) Invoice No. 1126 mailed to International by Listo for 261,486.49 barrels at \$10,036,575.96: "Sinclair Texas"	January 21, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(35) Invoice No. 1138 mailed to International by Listo for 405,544.61 barrels at \$15,714,853.64: "Prudhoe Bay"	January 26, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(36) Invoice No. 1139 mailed to International by Listo for 458,532 barrels at \$15,360,822.00: "Overseas New York"	January 26, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International

<u>RACKETEERING ACT</u>	<u>APPROXIMATE DATE</u>	<u>VIOLATION</u>	<u>DEFENDANTS</u>
(37) Invoice No. 1140 mailed to International by Listo for 53,844.39 barrels at \$2,086,470.11: "Sinclair Texas"	January 26, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(38) Invoice No. 1271 mailed to International by Listo for 292,809 barrels at \$10,043,348.70: "Arco Heritage"	February 24, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International
(39) Invoice No. 1267 mailed to International by Listo for 332,390.25 barrels at \$11,068,595.33: "Arco Heritage"	February 24, 1981	18 USC §§ 1341 and 2	Rich, Green, Meltzer, AG and International

(Title 18, United States Code, Sections 1962(c) and 2.)

COUNT FORTY

THE RACKETEERING CONSPIRACY

The Grand Jury further charges:

34. Each and every allegation contained in Paragraphs 1 through 33, and all subparts thereof, of Counts One through Thirty-nine of this Indictment is realleged and incorporated by reference herein as if fully set forth.

35. From on or about January 1, 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, the defendants, being individuals and entities employed by and associated with an enterprise engaged in, and the activities of which affect, interstate and foreign commerce, to wit, AG and its wholly-owned subsidiaries, the defendant INTERNATIONAL, Rescor and Highams,

together with their co-racketeers, unlawfully, wilfully and knowingly, did combine, conspire, confederate and agree together and with each other to commit an offense against the United States, to wit, a violation of Title 18, United States Code, Section 1962, that is, to conduct and participate, directly and indirectly, in the conduct of such enterprise's affairs through a pattern of racketeering activity as defined in Title 18, United States Code, Section 1961(5).

36. The objects of the racketeering conspiracy were that the defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG and INTERNATIONAL, together and with their co-racketeers, would and did commit and agree to commit the acts of racketeering, including wire fraud, indictable under Title 18, United States Code, Section 1343, as charged in Paragraphs 1 and 23 of Counts One through Twenty-three, and in Count Thirty-nine, and mail fraud, indictable under Title 18, United States Code, Section 1341, as charged in Paragraphs 24 through 28 of Counts Twenty-four through Thirty-eight, and in Count Thirty-nine, all in violation of Title 18, United States Code, Section 1962(c).

(Title 18, United States Code, Section 1962(d).)

FORFEITURES

37. Each and every allegation contained in Paragraphs 1 through 36 of Counts One through Forty of this Indictment is hereby realleged and incorporated by reference herein as if fully set forth for the purpose of alleging forfeitures pursuant to the provisions of Title 18, United States Code, Sections 1963(a)(1) and 1963(a)(2).

38. The defendants MARC RICH, PINCUS GREEN, CLYDE MELTZER, AG, and INTERNATIONAL, now known as "Clarendon Ltd.", have acquired and maintained interests from violations of Title 18, United States Code, Section 1962, and have interests in, securities of, claims against and property and contractual rights affording each defendant a source of influence over the enterprise, which enterprise each defendant established, operated, controlled, conducted and participated, directly and indirectly, in the conduct of through a pattern of racketeering, and conspired to do so, in violation of Title 18, United States Code, Section 1962(c) and (d), thereby making all such interests, securities of, claims against, property and contractual rights, wherever located, in whatever names held, subject to forfeiture to the United States as of the date they were acquired, maintained and utilized.

39. The interests of the defendants MARC RICH, PINCUS GREEN and CLYDE MELTZER, subject to forfeiture to the United States, include any interests and proceeds therefrom each defendant has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to:

- (a) dividends, salaries, bonuses, and pension benefits paid by any of the corporate entities comprising or associated with the enterprise; and
- (b) any interests purchased or obtained with the monies set forth in subparagraph (a) above including, but not limited to personalty, real estate, and investments, wherever located and in whatever names;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to all stock, securities, notes, rights, warrants, and options, wherever located and in whatever names, and all offices and titles, in any of the corporate entities comprising or associated with the enterprise.

40. The interests of the defendant AG subject to forfeiture to the United States include any interests and proceeds therefrom that the defendant AG has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to:

(a) all monies received and specified in this Indictment, including monies paid to Rescor, Inc. and Highams Consultants, AG's wholly-owned subsidiaries, and

(b) all assets, interests and investments, including loans and receivables, wherever located and in whatever names, purchased or obtained with the monies set forth in subparagraph (a) above and profits derived therefrom, including in excess of \$37 million owed to the defendant AG by Guam Oil and Refining Company and the interests of Richco Holdings, B.V. in TCF Holdings, Inc.;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to:

(a) all stock, securities, notes, rights, warrants and options, wherever located and in whatever names, in the defendant INTERNATIONAL, Rescor, Inc. and Highams Consultants and any and all of their subsidiaries, including but not limited to Century Chartering Co., Inc.;

(b) all assets, wherever located and in whatever name, of the entities set forth in subparagraph (a) above, including but not limited to:

1. bank accounts
2. accounts receivables
3. securities, stock, notes, rights, warrants and options
4. contracts
5. leaseholds, including the leasehold at 650 Fifth Avenue, New York, New York
6. inventory
7. office equipment, furnishings and fixtures

8. interests in realty and minerals, including oil and gas properties described in a Mortgage, Security Agreement, Financing Statement and Assignment dated August 4, 1983, by Clarendon Ltd. and Century Chartering Co., Inc. to and in favor of the United States of America.
9. Proceeds of any purported sale of any interest in the defendant INTERNATIONAL, including proceeds of a purported sale of the defendant INTERNATIONAL to Alexander Hackel and others on June 30, 1983.

41. The interests of the defendant INTERNATIONAL subject to forfeiture to the United States include any interests and proceeds therefrom that the defendant INTERNATIONAL has acquired and maintained from violations of Title 18, United States Code, Section 1962, including but not limited to

- (a) all monies received and specified in this Indictment; and

(b) all assets, interests and investments, including loans and receivables, wherever located and in whatever names, purchased or obtained with the monies set forth in subparagraph (a) above and profits derived therefrom or purchased or obtained with monies that were due and owing to the United States of America as a consequence of the violations of law set forth in this Indictment;

and any interests in, securities of, claims against, property, contractual rights and rights of any kind affording a source of influence over the enterprise, including but not limited to, all stock, securities, notes, rights, warrants and options, wherever located, in whatever names, in all subsidiaries, including but not limited to Century Chartering Co., Inc.

(Title 18, United States Code, Section 1963.)

THE INCOME TAX EVASION COUNTS

COUNT FORTY-ONE

Tax Evasion for 1980

The Grand Jury further charges:

42. Each and every allegation contained in Paragraphs 1 through 41, and all subparts thereof, of Counts One through

Forty of this Indictment is realleged and incorporated by reference herein as if fully set forth.

43. On or about September 17, 1981, in the Southern District of New York, MARC RICH, PINCUS GREEN, CLYDE MELTZER, and INTERNATIONAL, the defendants, together with AG, not named as a defendant in this count, unlawfully, wilfully and knowingly did attempt to evade and defeat a large part of the income tax due and owing by the defendant INTERNATIONAL to the United States of America for the calendar year 1980, by preparing and causing to be prepared and by filing and causing to be filed a false and fraudulent income tax return for the defendant INTERNATIONAL, which return stated that the taxable income for said calendar year was \$1,091,431.00 and that the amount of income tax due and owing thereon was \$413,374.00, whereas, as the defendants then, and there well knew, the true taxable income of, and the true income tax due and owing by the defendant INTERNATIONAL to the United States for said calendar year were substantially in excess of the amounts reported on said return, to wit, the defendant INTERNATIONAL's true taxable income for said calendar year was at least \$53,650,947.07, upon which there was due and owing to the United States an income tax of approximately \$24,590,751.65.

(Title 26, United States Code, Sections 7201 and 2.)

COUNT FORTY-TWO

Tax Evasion for 1981

The Grand Jury further charges:

44. Each and every allegation contained in Paragraphs 1 through 43, and all subparts thereof, of Counts One through Forty-one of this Indictment is realleged and incorporated by reference herein as if fully set forth.

45. On or about September 22, 1982, in the Southern District of New York, MARC RICH, PINCUS GREEN, CLYDE MELTZER, and INTERNATIONAL, the defendants, together with AG, not named as a defendant in this count, unlawfully, wilfully and knowingly did attempt to evade and defeat a large part of the income tax due and owing by the defendant INTERNATIONAL to the United States of America for the calendar year 1981, by preparing and causing to be prepared and by filing and causing to be filed a false and fraudulent income tax return for the defendant INTERNATIONAL, which return stated that the taxable income for said calendar year was \$2,424,172.00 and that the amount of income tax due and owing thereon was \$235,525.00, whereas, as the defendants then and there well knew, the true taxable income, and the true income tax due and owing, by the defendant INTERNATIONAL to the United States for said calendar year were substantially in excess of the amounts reported on said return, to wit, the defendant INTERNATIONAL's true taxable income for said calendar year was at least \$55,043,714.33, upon which there was due and owing to the United States an income tax of approximately \$24,440,514.59.

(Title 26, United States Code, Section 7201 and 2.)

COUNTS FORTY-THREE THROUGH FIFTY-SEVEN

THE SCHEME TO DEFRAUD THE DEPARTMENT
OF TREASURY RE: IRANIAN DEALS

The Grand Jury further charges:

46. Each and every allegation contained in Paragraphs 1 through 45, and all subparts thereof, of Counts One through Forty-two of this Indictment is realleged and incorporated by reference herein as if fully set forth.

47. From in or about January 1980, up to and including the date of the filing of this Indictment, in the Southern District of New York and elsewhere, MARC RICH and PINCUS GREEN, the defendants, unlawfully, wilfully and knowingly would and did devise and intend to devise a scheme and artifice to defraud the United States and agencies thereof, to wit, the Department of Treasury and its Office of Foreign Assets Control, in their lawful governmental function of administering and overseeing the laws and regulations which prohibited commercial transactions and credit transactions involving Iran during the American hostage crisis, and to obtain money and property by false and fraudulent pretenses, representations and promises.

Statutory Background

48. On November 4, 1979, Iranian nationals invaded the U.S. Embassy in Teheran, Iran. Thereafter, 53 American citizens were held hostage for over 14 months until their release on January 19, 1981.

49. In response to the seizure of American hostages:

(a) On November 14, 1979, President Carter, under the International Economic Emergency Powers Act of 1977,^{*} issued Executive Order # 12170 to block and freeze all property and interests in property of the Government of Iran and any of its instrumentalities and controlled entities, including the National Iranian Oil Company ("NIOC"), which were or became subject to the jurisdiction of the United States or which were or came within the possession or control of persons subject to the United States.

(b) On November 15, 1979, the Department of Treasury through its Office of Foreign Assets Control issued regulations to implement President Carter's Executive Order # 12170. The effect of the regulations was that various transactions with Iran and its controlled entities were prohibited in the absence of a license from the Department of Treasury.

(c) On April 7, 1980, President Carter issued Executive Order # 12205 under the International Emergency Economic Powers Act which imposed a trade embargo on Iran. On April 9, 1980, the Department of Treasury through its Office of Foreign Assets Control issued regulations to implement President Carter's Executive Order # 12205.

(d) On April 17, 1980, President Carter issued Executive Order # 12211 to expand the provisions of Executive

Orders # 12170 and # 12205 by prohibiting the payment or transfer of any funds from the United States to any Iranian person as well as the Government of Iran or any of its controlled entities, such as NIOC, as had been previously prohibited without license by Executive Order # 12170. On April 21, 1980, the Department of Treasury through its Office of Foreign Assets Control issued regulations which implemented President Carter's Executive Order # 12211.

(e) The various regulations required every individual and entity engaging in any transaction subject to the prohibitions to keep records to be available for examination by the Office of Foreign Assets Control.

50. During the hostage crisis and while the foregoing regulations were in effect:

(a) AG entered into contracts with the National Iranian Oil Company* ("NIOC") to purchase Iranian crude and fuel oil, including contract # 244 on April 30, 1980, for the purchase of crude and fuel oil from May 1, 1980, through September 30, 1980. The terms of the contracts gave AG sixty days after the date of delivery to make payment to NIOC in American dollars through letters of credit posted by AG in favor of NIOC.

(b) Beginning on or about May 1, 1980, prior to the delivery of this Iranian crude oil and fuel oil under the contracts AG had with NIOC, the defendants MARC RICH and PINCUS GREEN -- both United States citizens -- negotiated from the offices of International in New York, New York, with the principal of Transworld Oil, Bermuda, the sale of approximately 6,250,000 barrels of Iranian crude oil and fuel oil for approximately \$202,806,291.00. The defendants MARC RICH and PINCUS GREEN would and did cause payment to be ultimately effected to NIOC with American dollars by using commercial credit arrangements involving United States banks and United States branch offices of foreign banks located in New York, New York, all in violation of the various Executive Orders of President Carter and the underlying regulations. These payment arrangements for the Iranian oil, which were effected through banks located in New York, New York, were consummated by "back to back" letters of credit wherein Transworld Oil would make payment to AG in United States dollars, normally within thirty days of delivery, and AG would then in turn make payment to NIOC in United States dollars within sixty days of delivery.

(c) To further the scheme, the defendants MARC RICH and PINCUS GREEN did not disclose to these banks in the United States -- which were also prohibited from knowingly transferring any funds to Iran -- that the ultimate beneficiary of the United States dollars was NIOC.

(d) To further the scheme, in or about July 1980, the defendants MARC RICH and PINCUS GREEN devised a secret code for interoffice cable communications when referring to the illegal Iranian transactions, in order to disguise the participation of NIOC. Telexes containing this secret code were maintained in the New York records of International which, pursuant to the regulations, were subject to examination by the Department of Treasury's Office of Foreign Assets Control.

51. For the purpose of executing the scheme and artifice to defraud and attempting to do so, the defendants MARC RICH and PINCUS GREEN unlawfully, wilfully and knowingly, did transmit and cause to be transmitted by means of wire, radio and television communication, in interstate and foreign commerce, certain telexes and wire and cable transfers of monies, all as more particularly as set forth in Counts 43 through 57 herein below:

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
43	wire transfer of \$8,239,385.90 from New York to Zurich, Switzerland	July 7, 1980	Rich and Green
44	wire transfer of \$56,187,197.00 from New York to Zurich, Switzerland	July 7, 1980	Rich and Green
45	wire transfer of \$56,356,234.00 from New York to Paris, France	July 14, 1980	Rich and Green
46	wire transfer of \$8,408,685.00 from New York to Paris, France	July 17, 1980	Rich and Green
47	wire transfer of \$7,745,130.00 from New York to Paris, France	July 31, 1980	Rich and Green
48	wire transfer of \$4,671,022.50 from New York to Paris, France	September 2, 1980	Rich and Green

<u>COUNT</u>	<u>WIRE COMMUNICATION</u>	<u>APPROXIMATE DATE OF WIRE COMMUNICATION</u>	<u>DEFENDANT</u>
49	wire transfer of \$4,844,487.50 from New York to Paris, France	September 11, 1980	Rich and Green
50	wire transfer of \$56,463,649.00 from New York to Paris, France	September 30, 1980	Rich and Green
51	Telex #NYC 143 from Pincus Green in New York to AG (London) and AG (Zug)	May 1, 1980	Rich and Green
52	Telex #NYC 171 from Marc Rich in New York to AG (London) and AG (Zug)	May 7, 1980	Rich and Green
53	Telex #NYC 138 from Pincus Green in New York to AG (London)	May 7, 1980	Rich and Green
54	Telex # NYC 139 from Pincus Green in New York to AG (London) and AG (Zug)	May 7, 1980	Rich and Green
55	Telex #NYC 174 from Marc Rich in New York to AG (London)	May 8, 1980	Rich and Green
56	Telex #NYC 042 from Marc Rich in New York to AG (London) and AG (Zug)	May 12, 1980	Rich and Green
57	Telex #NYC 146 from Pincus Green in New York to AG (London)	August 14, 1980	Rich and Green

(Title 18, United States Code, Sections 1343 and 2.)

TRADING WITH IRAN COUNTS

COUNTS FIFTY-EIGHT THROUGH SIXTY-FIVE

52. Each and every allegation contained in Paragraphs 1 through 51, and all subparts thereof, of Counts One through Fifty-seven of this Indictment is realleged and incorporated by reference as if fully set forth herein.

53. During a period from in or about April 1980, up to and including January 19, 1981, in the Southern District of New York and elsewhere, at the time when United States citizens were being held hostage in Iran, MARC RICH and PINCUS GREEN, the defendants, who were United States citizens subject to the jurisdiction of the United States, unlawfully, wilfully and knowingly, in transactions involving Iran, an Iranian governmental entity, and an enterprise controlled by Iran and an Iranian governmental entity, did make and cause to be made payments, transfers of credit, and other transfers of funds and other property and interests to persons in Iran, to wit, the defendants MARC RICH and PINCUS GREEN caused United States dollars from banks located in the United States to be transferred to the National Iranian Oil Company ("NIOC") to pay for crude oil and fuel oil which AG had purchased directly from NIOC and which the defendants MARC RICH and PINCUS GREEN had pre-sold from the offices of International in the United States to third-party companies as more specifically set forth below:

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
58	53,129 metric tons of fuel oil	TransWorld Oil	US \$8,233,544.40 by Letter of Credit issued in favor of NIOC by Union Bank of Switzerland (UBS), Switzerland, covered through a bank in New York, New York to Bank Markazi, Iran acct. at UBS, Switzerland	July 7, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
59	1,531,658 barrels of crude oil and 5990 metric tons of fuel oil	TransWorld Oil	US \$56,186,536.00 by Letter of Credit issued in favor of NIOC by UBS, Switzerland, covered through a bank in New York, New York to Zurich, Switzerland to Bank Markazi, Iran Acct. at Midland Bank, London, England	July 7, 1980
60	1,568,430 barrels of crude oil and 3158 metric tons of fuel oil	TransWorld Oil	U.S. \$56,356,234.00 by Letter of Credit issued by Banque de Paris et des Pays-Bas, Paris, covered through a bank in New York, New York to Banque de Paris et des Pays-Bas, Paris, France to Bank Markazi, Iran account at Midland Bank, London, England	July 14, 1980
61	370,418 barrels of fuel oil	TransWorld Oil	US \$8,334.40500 by Letter of Credit issued in favor of NIOC by UBS, Switzerland, covered through a bank in New York, New York, to Societe Generale, Paris, France, to UBS, Zug, Switzerland to Bank Markazi, Iran account at Midland Bank, London, England	July 17, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
62	52,098 metric tons of fuel oil	TransWorld Oil	US \$7,745,130.00 by Letter of Credit issued in favor of NIOC by Credit Lyonnais, Paris covered through a bank in New York New York to Credit Lyonnais, Paris to Bank Markazi, Iran account at Midland Bank, London, England	July 31, 1980
63	31,367 metric tons of fuel oil	TransWorld Oil	US \$4,671,022.50 by Letter of Credit issued in favor of NIOC by Banque de Paris et des Pays Bas, France covered through a bank in New York, New York, to Bank Markazi, Iran acct. at Banque Nationale de Paris, France	September 2, 1980
64	31,614 metric tons of fuel oil	TransWorld Oil	US \$4,844,487.50 by Letter of Credit issued in favor of NIOC by Banque de Paris et des Pays Bas, France covered through a bank in New York, New York, to Bank Markazi, Iran Acct. at Banque Nationale de Paris, France	September 11, 1980

<u>Count</u>	<u>Quantity of Iranian Crude Oil or Fuel Oil Purchased and Sold</u>	<u>Third Party Purchaser</u>	<u>Description of Payment to NIOC</u>	<u>Date of Payment to NIOC</u>
65	1,607,887 barrels of crude oil	TransWorld Oil	US \$56,463,649.20 by Letter of Credit issued in favor of NIOC by Societe General, France, covered through a bank in New York, New York, to Bank Markazi, Iran Acct. at Banque Nationale de Paris, Paris, France	September 30, 1980

(31 CFR §§ 535.206(a)(4), 535.208, 535.701; Title 50,
United States Code, Section 1705; and Title 18, United
States Code, Section 2.)

GRAND JURY FOREPERSON

Rudolph W. Giuliani
RUDOLPH W. GIULIANI
United States Attorney

FKUKOIJDMI OYD

P 141354Z APR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 421-14

BT

UNCLAS

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; ET AL.; RICO;

MF; FRW; TRADING WITH THE ENEMY; TAX EVASION; OO: NEW YORK.

NEW YORK OFFICE (196-2949) ADVISED BY FACSIMILE TELETYPE
APRIL 14, 1984, AS FOLLOWS:

REBUTEL TO NEW YORK DATED MARCH 15, 1984.

ON MARCH 28, 1984, A COPY OF THE AMENDED INDICTMENT OF
SUBJECTS WAS SENT VIA MAIL TO LEGAT, BERN, AT THE UNITED STATES
EMBASSY, BERN, SWITZERLAND.

BT

#0043

NNNN

183D-54-60

SEARCHED	INDEXED
SERIALIZED	FILED
APR 16 1984	
FBI - BERN	

b6
b7C

WOZPEP 141945Z APR 84

FM DIRECTOR FBI

TO LEGWL ATTACHE BERN PRIORITY 424-14

LEGAL ATTACHE BONN PRIORITY 734-14

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; TAX EVASION;

MF; FPM; TRADING WITH THE ENEMY; OO: NY.

PEP TELETYPE DATED APRIL 14, 1984, FBI NEW YORK ADVISED:

PENYTEL TO BUREAU.

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

ON APRIL 12, 1984, A [REDACTED] SOURCE LEARNED THAT [REDACTED]

b6
b7C
b7D
b7E

183D-54-61

SEARCHED	INDEXED
SERIALIZED <i>13</i>	FILED <i>13</i>
APR 16 1984	

[REDACTED] *Am*

b6
b7C

PAGE TWO DE HQ 0057 ~~SECRET~~

b6
b7C
b7D
b7F

~~CLASSIFY G-3, OADR.~~

BT

#0057

NNNN

P 170530Z APR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 438-17

BT

UNCLAS F F T O

MARC RICH-FUGITIVE; PINCHUS GREEN-FUGITIVE; ET AL; RICO; ME; FBW;
TRADING WITH THE ENEMY; TAX EVASION; OO: NY.

BY TELETYPE DATED 4/16/84 FBI NEW YORK ADVISED;

REBUFTLT TO NEW YORK, DATED MARCH 15, 1984.

ON MARCH 28, 1984, A COPY OF THE AMENDED INDICTMENT OF SUBJECTS
WAS SENT VIA MAIL TO LEGAT, BERN, AT THE UNITED STATES EMBASSY, BERN,
SWITZERLAND.

BT

#0030

183D-54-62

SEARCHED	INDEXED
SERIALIZED	FILED
APR 18 1984	
FBI - BERN	

b6
b7C

XCXV

P 210305Z APR 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 469-21

LEGAL ATTACHE BONN PRIORITY

BT

~~SECRET~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; MF; FBW; TAX
EVASION; TRADING WITH THE ENEMY; 99; NY.

BY TELETYPE DATED 4/20/84, FBI NEW YORK ADVISED:

RENYTEL TO BUREAU, DATED MARCH 22, 1984, AND MARCH 13, 1984.

THE FOLLOWING IS CLASSIFIED ~~"SECRET: IN ITS ENTIRETY."~~

ON APRIL 19, 1984, A [REDACTED] SOURCE PROVIDED THE FOLLOWING
INFORMATION REGARDING CAPTIONED SUBJECTS.

b7D
b7F

b6
b7C

183D-54-63


SEARCHED	INDEXED
SERIALIZED	FILED
APR 24 1984	
[REDACTED]	

PAGE TWO DE HQ 0009 ~~SECRET~~

SOURCE LEARNED THAT



b6
b7C
b7D
b7F



b6
b7C
b7D
b7F



b6
b7C
b7D
b7F

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED]

b7D
b7F

INFORMATION FROM THIS SOURCE IS OF A HIGHLY SINGULAR NATURE AND
DISCLOSURE WOULD REVEAL SOURCE'S IDENTITY. [REDACTED]

~~C AND E BY G-3; DECL: OADR.~~

BT

#0009

NNNN

b6
b7C

P 101505Z MAY 84

FM DIRECTOR FBI

TO LEGAL ATTACHE BERN PRIORITY 534-10

LEGAL ATTACHE BONN PRIORITY

BT

UNCLAS

MARC RICH - FUGITIVE; PINCHUS GREEN - FUGITIVE; ET AL; RICO; FBW; MP;
TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO THE DIRECTOR; DATED FEBRUARY, 2, 1984, FEBRUARY 23,
1984, FEBRUARY 20, 1984, MARCH 7, 1984, MARCH 23, 1984.

NEW YORK ADVISED BY TELETYPE DATED 5/8/84 AS FOLLOWS:

THE FOLLOWING IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

ON MAY 7, 1984, A [REDACTED] SOURCE ADVISED THAT [REDACTED]

b6
b7C
b7D
b7F

advised
on 5/11

b6
b7C

LARRY J

183D-54-65

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 11 1984	
FBI - NEW YORK	

lv

PAGE TWO DE HQ 0064 UNCLAS

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F

REQUEST OF THE BUREAU

DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGATS, BERN AND BONN
ADMINISTRATIVE, [REDACTED] SOURCE IS [REDACTED] INFORMATION FROM
SOURCE IS HIGHLY SINGULAR AND DISCLOSURE WOULD REVEAL SOURCE'S
IDENTITY. [REDACTED]

b7D
b7F

SPECIAL AGENT [REDACTED] NEW YORK DIVISION, AND SPECIAL AGENT
[REDACTED] NEW HAVEN DIVISION, [REDACTED]

b6
b7C
b7E

[REDACTED] LEGAT , BONN WILL BE ADVISED BY TELEPHONE OF
ANY CHANGES.

BT

#0064

P 221702Z MAY 84

FM DIRECTOR FBI

TO DEPT OF JUSTICE

LEGAL ATTACHE BERN PRIORITY 577-22

BT

UNCLAS

FOR: OFFICE OF INTERNATIONAL AFFAIRS -OIA

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; RICO; FBW; MF; TAX
EVASION; TRADING WITH ENEMY.

BY TELETYPE DATED 5-20-84, NEW YORK OFFICE ADVISED AS FOLLOWS:

RENYTEL TO BUREAU, DATED APRIL 20, 1984, SA [REDACTED]

ADVISED FROM [REDACTED]

b6
b7C
b7D
b7F
b7E

b6
b7C
b7D
b7F
b7E

b7D
b7F
b7E

183D-54-67

SEARCHED	INDEXED
SERIALIZED	FILED
MAY 23 1984	

[REDACTED]

b6
b7C

PAGE TWO DE HQ 0066 UNCLAS

b6
b7C
b7D
b7F
b7E

[REDACTED]
[REDACTED]
SA [REDACTED] IS WAITING FOR FURTHER DETAILS FROM A [REDACTED] SOURCE. NY
WILL KEEP FBIHQ ADVISED OF FURTHER DETAILS.

b6
b7C
b7D
b7F

REQUEST OF BUREAU

DISSEMINATE TO LEGAT, BERN.

ADMINISTRATIVE

[REDACTED] SOURCE IS [REDACTED] PROTECT SOURCE'S IDENTITY.

b7D
b7F

BT

#0066

NNNN

THIS VOLUME COMPLETE

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1218760-0

Total Deleted Page(s) = 35

Page 64 ~ Referral/Consult;
Page 65 ~ Referral/Consult;
Page 66 ~ Referral/Consult;
Page 67 ~ Referral/Consult;
Page 68 ~ Referral/Consult;
Page 69 ~ Referral/Consult;
Page 70 ~ Referral/Consult;
Page 71 ~ Referral/Consult;
Page 72 ~ Referral/Consult;
Page 73 ~ Referral/Consult;
Page 74 ~ Referral/Consult;
Page 75 ~ Referral/Consult;
Page 76 ~ Referral/Consult;
Page 77 ~ Referral/Consult;
Page 78 ~ Referral/Consult;
Page 79 ~ Referral/Consult;
Page 80 ~ Referral/Consult;
Page 81 ~ Referral/Consult;
Page 82 ~ Referral/Consult;
Page 83 ~ Referral/Consult;
Page 84 ~ Referral/Consult;
Page 85 ~ Referral/Consult;
Page 86 ~ Referral/Consult;
Page 87 ~ Referral/Consult;
Page 88 ~ Referral/Consult;
Page 89 ~ Referral/Consult;
Page 175 ~ Duplicate;
Page 176 ~ Duplicate;
Page 177 ~ Duplicate;
Page 178 ~ Duplicate;
Page 179 ~ Duplicate;
Page 180 ~ Duplicate;
Page 181 ~ Duplicate;
Page 182 ~ Duplicate;
Page 183 ~ Duplicate;

XXXXXXXXXXXXXXXXXXXXXXXXXXXXX
X Deleted Page(s) X
X No Duplication Fee X
X For this Page X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXX

Date 11-4-85

TO SAC, New York (196A-1774) FROM DIRECTOR, FBI ()

Subject: Marc Rich - Fugitive (C); FBW; RICO; TE; MF
O.O. New York

Reference: ☐ Cover pages of SA ☐ Report of SA ☐ Letterhead memo
dated _____ at _____

☐ Letter ☒ Teletype ☐ Airtel dated 11-1-85 from New York
to Director Your mail dispatch of _____, registry number _____

☒ **Nonsubstantive Error** - notify appropriate personnel; mark notation in error folder; and consider in next performance ratings. Consider employees' work records as to any needed action.

☐ **Substantive Error** - return original of form to Bureau promptly with explanations and recommendations.

Take appropriate action in connection with error in subject matter checked below:

☐ 1. **Administrative Data**

- ☐ a. Failed to submit letterhead memo re subject who is Government employee
☐ b. Omission of "Property of FBI" statement on letterhead memo
☐ c. Reason for protecting source not given
☐ d. Documentation re FISUR Agents omitted
☐ e. Failure to meet 5-day reporting rule after arrest
☐ f. Pretext not described ☐ g. Accomplishments? ☐ h. Acquittals?

☐ 2. **Delayed**

- ☐ a. Investigation ☐ c. Transcription
☐ b. Dictation ☐ d. Reporting

☐ 3. **O.O. Incorrect (O.O. is _____)**

- ☐ 4. Reporting office
☐ 5. Date of communication
☐ 6. Investigative period

☒ 7. **Title**

- ☒ a. Incomplete ☒ d. **Incorrectly** ☐ e. **Fugitive**
☐ b. Misspelled ☐ 1. Changed ☐ 1. Omitted
☐ c. **Omitted** ☒ 2. Carried ☐ 2. Incorrectly carried
☐ 1. I.O.
☐ 2. Wanted Flyer
☐ 3. Check Circular

☐ 8. **Character**

- ☐ a. Incomplete ☐ b. Incorrect ☐ c. Omitted

☐ 9. **Synopsis**

- ☐ a. Incomplete or inadequate
☐ b. Facts not in detail or vice versa
☐ c. **Fails to show**
☐ 1. Employed key facility
☐ 2. Has access classified data at key facility
☐ 3. Pertinent Section, U. S. Code
☐ d. **"Caution" statement**
☐ 1. Omitted ☐ 2. Failure to delete

☐ 10. **Status**

- ☐ a. Incorrect ☐ b. Omitted

☐ 11. **Not approved by SAC (original returned for approval and forwarding)**

☐ 12. **Copies**

- ☐ a. Not legible ☐ b. Not furnished
☐ 1. Auxiliary office
☐ 2. U. S. Attorney
☐ 3. _____
☐ c. Incorrect no. of copies to
☐ 1. Bureau ☐ 2. _____
☐ d. Reason for information copy

☐ 13. **Bufile Number should be _____**

- ☐ a. Incorrectly reported
☐ b. Files consolidated at Bureau

☐ 14. **Details**

- ☐ a. No description
☐ b. Stops not removed
☐ c. Subject in custody, complaint and warrant issued but immediate hearing before U. S. Magis. not reported
☐ d. Delay in receiving information from P.D. indicates lack of police liaison
☐ e. Incomplete reporting
☐ f. Administrative data in details
☐ g. Incorrect code section cited
☐ h. **Failed to**
☐ 1. Take sworn statement
☐ 2. Show employed key facility
☐ 3. Show date information received
☐ 4. Show name of Agent conducting interview
☐ 5. Show has access classified data at key facility
☐ i. Characterization omitted
☐ j. "Place" omitted in jurat of sworn statement
☐ k. No indication U. S. Marshal notified

☐ 15. **Form**

- ☐ a. Incomplete
☐ b. Incorrect
☐ c. Failed to submit

☐ 16. **Enclosures**

- ☐ a. Not received ☐ c. Not submitted ☐ d. Submit travel card
☐ b. Not described ☐ 1. Disposition Sheet

☐ 17. **Security Classification**

- ☐ a. Incorrect ☐ c. Reason not shown
☐ b. Declassify ☐ d. Omitted

☐ 18. **Leads**

- ☐ a. Not set out ☐ b. Too vague

☐ 19. **Informants**

- ☐ a. FBI No. not given ☐ d. Not identified
☐ b. 30-day contact ☐ e. Date of FBI Identification Division statement missing record check not listed
☐ c. Incorrect T symbol ☐ f. Reliability statement
☐ Omitted ☐ Incorrect

☐ 20. **Reference**

- ☐ a. Incorrect ☐ b. Omitted

☐ 21. **Abstract**

☐ 22. **Misspelling, page _____**

☐ 23. **Typographical error**

☐ 24. **Incorrect use of**

- ☐ a. Airtel ☐ b. Teletype

☐ 25. **Resubmit promptly in form suitable for dissemination** ☐ LHM

☐ 26. **Incorrect date(s)**

☐ 27. **Miscellaneous**

☐ 28. **Bureau mailing instructions, Manual of Administrative Operations and Procedures, Part II, Section 2-2.2. _____ not followed.**

☐ 29. **Submit appropriate amended pages.**

☐ 30. **Fugitive Airtel**

- Omitted ☐ a. Fugitive priority ☐ b. Synopsis of crime

Remarks:

Please include alpha in title.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]

b6
b7C

196A-1774-405

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
NOV 06 1985	
NEW YORK	
IRVR	

Routing Slip

0-7 (Rev. 10-9-84)

(Copies to Offices Checked)

TO: SAC,

TO: LEGAT,

☐ Albany
☐ Albuquerque
☐ Alexandria
☐ Anchorage
☐ Atlanta
☐ Baltimore
☐ Birmingham
☐ Boston
☐ Buffalo
☐ Butte
☐ Charlotte
☐ Chicago
☐ Cincinnati
☐ Cleveland
☐ Columbia
☐ Dallas
☐ Denver
☐ Detroit
☐ El Paso
☐ Honolulu

☐ Houston
☐ Indianapolis
☐ Jackson
☐ Jacksonville
☐ Kansas City
☐ Knoxville
☐ Las Vegas
☐ Little Rock
☐ Los Angeles
☐ Louisville
☐ Memphis
☐ Miami
☐ Milwaukee
☐ Minneapolis
☐ Mobile
☐ Newark
☐ New Haven
☐ New Orleans
☒ New York City
☐ Norfolk

☐ Oklahoma City
☐ Omaha
☐ Philadelphia
☐ Phoenix
☐ Pittsburgh
☐ Portland
☐ Richmond
☐ Sacramento
☐ St. Louis
☐ Salt Lake City
☐ San Antonio
☐ San Diego
☐ San Francisco
☐ San Juan
☐ Savannah
☐ Seattle
☐ Springfield
☐ Tampa
☐ Washington Field
☐ Quantico

☐ Bern
☐ Bogota
☐ Bonn
☐ Canberra
☐ Hong Kong
☐ London
☐ Mexico City
☐ Montevideo
☐ Ottawa
☐ Panama City
☐ Paris
☐ Rome
☐ Tokyo

☐ ASAC, Brooklyn-Queens (MRA)

11-19-85

Date

RE:

Marc Rich - Fugitive
Pinus Green - fugitive
OO: NY

Retention For appropriate

☐ For information ☐ optional ☒ action ☐ Surep, by _____☐ The enclosed is for your information. If used in a future report, ☐ conceal all sources,
☐ paraphrase contents.☐ Enclosed are corrected pages from report of SA _____
dated _____

Remarks:

(see attached)

196-1774-406A

SEARCHED _____	INDEXED _____
SERIALIZED _____	FILED _____
NOV 2 1985	
FBI - NEW YORK	
12VR	

Enc. (2)
Bufile
Urfile

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED

DATE 2-21-01 BY [redacted]

b6

b7C

FBI/DOJ

01-081

AIRTEL

10/29/85

TO: DIRECTOR, FBI (196-2348)

FM: LEGAT, BERN (196A-234) (RUC)

MARC RICH - Fugitive
DILCUS GREEN - Fugitive
ET AL
FEN; ME; RICO; INCOME TAX
EVASION; TRADING WITH THE ENEMY
OO: NY

MARC RICH continues to reside and work in Zug, Switzerland. He maintains a very high public profile in Switzerland, appearing regularly in the printed media. His travels outside of Switzerland appear regular, although there exists no means by which Legat, Bern can track these.

On August 15, 1985 the Swiss Federal Council (the ruling body of the country) decided to terminate all pending legal action against RICH on allegations that he violated Swiss law in providing protected documents to outside countries. As far as Switzerland is concerned this terminates any potential prosecution of RICH.

Legat, Bern has not received further information from New York pertaining to [REDACTED]

[REDACTED] It is therefore assured that at least for the moment these efforts are terminated.

b7E

5 - Bureau
1 - Liaison Unit
2 - New York (196A-1774)
1 - Bern
AGP

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED] DT-051

b6
b7C

196A-1774-400

RUC

AIRTEL

10/29/85

TO: DIRECTOR, FBI (196-2848)

FM: LEGAT, BERN (196A-234) (RUC)

MARC RICH - Fugitive
PINCUS GREEN - Fugitive
ET AL
FEW; MF; RICO; INCOME TAX
EVASION; TRADING WITH THE ENEMY
CO: NY

MARC RICH continues to reside and work in Zug, Switzerland. He maintains a very high public profile in Switzerland, appearing regularly in the printed media. His travels outside of Switzerland appear regular, although there exists no means by which Legat, Bern can track these.

On August 15, 1985 the Swiss Federal Council (the ruling body of the country) decided to terminate all pending legal action against RICH on allegations that he violated Swiss law in providing protected documents to outside countries. As far as Switzerland is concerned this terminates any potential prosecution of RICH.

Legat, Bern has not received further information from New York pertaining to [REDACTED]

b7E

[REDACTED] It is therefore assumed that at least for the moment these efforts are terminated.

5 - Bureau
1 - Liaison Unit
2 - New York (196A-1774)
1 - Bern
AGR

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED] 01-081

196-1774-4106

[Handwritten signature]

OFFICIAL NOTIFICATION OF ERROR
0-17 (Rev. 4-10-78)

Date 12-5-85

TO SAC, New York (196A-1774)

FROM DIRECTOR, FBI ()

Subject: Marc Rich - fugitive (B); Pincus Green - fugitive (B);
OO: New York

Reference: ☐ Cover pages of SA ☐ Report of SA ☐ Letterhead memo
dated _____ at _____

☐ Letter ☒ Teletype ☐ Airtel dated November 26, 1985 from New York
to Director Your mail dispatch of _____, registry number _____

☒ **Nonsubstantive Error** - notify appropriate personnel; mark notation in error folder; and consider in next performance ratings. Consider employees' work records as to any needed action.

☐ **Substantive Error** - return original of form to Bureau promptly with explanations and recommendations.

Take appropriate action in connection with error in subject matter checked below:

☐ 1. Administrative Data

- ☐ a. Failed to submit letterhead memo re subject who is Government employee
☐ b. Omission of "Property of FBI" statement on letterhead memo
☐ c. Reason for protecting source not given
☐ d. Documentation re FISUR Agents omitted
☐ e. Failure to meet 5-day reporting rule after arrest
☐ f. Pretext not described ☐ g. Accomplishments? ☐ h. Acquittals?

☐ 2. Delayed

- ☐ a. Investigation ☐ c. Transcription
☐ b. Dictation ☐ d. Reporting

☐ 3. O.O. incorrect (O.O. is _____)

- ☐ 4. Reporting office
☐ 5. Date of communication
☐ 6. Investigative period

☒ 7. Title

- ☒ a. Incomplete ☒ d. Incorrectly ☒ e. Fugitive
☐ b. Misspelled ☐ 1. Changed ☐ 1. Omitted
☐ c. Omitted ☒ 2. Carried ☐ 2. Incorrectly carried
☐ 1. I.O.
☐ 2. Wanted Flyer
☐ 3. Check Circular

☐ 8. Character

- ☐ a. Incomplete ☐ b. Incorrect ☐ c. Omitted

☐ 9. Synopsis

- ☐ a. Incomplete or inadequate
☐ b. Facts not in detail or vice versa
☐ c. Fails to show
☐ 1. Employed key facility
☐ 2. Has access classified data at key facility
☐ 3. Pertinent Section, U. S. Code
☐ d. "Caution" statement
☐ 1. Omitted ☐ 2. Failure to delete

☐ 10. Status

- ☐ a. Incorrect ☐ b. Omitted

☐ 11. Not approved by SAC (original returned for approval and forwarding)

☐ 12. Copies

- ☐ a. Not legible ☐ b. Not furnished
☐ 1. Auxiliary office
☐ 2. U. S. Attorney
☐ 3. _____
☐ c. Incorrect no. of copies to
☐ 1. Bureau ☐ 2. _____
☐ d. Reason for information copy

☐ 13. Bufile Number should be _____

- ☐ a. Incorrectly reported
☐ b. Files consolidated at Bureau

Remarks:

☐ 14. Details

- ☐ a. No description
☐ b. Stops not removed
☐ c. Subject in custody, complaint and warrant issued but immediate hearing before U. S. Magis. not reported
☐ d. Delay in receiving information from P.D. indicates lack of police liaison
☐ e. Incomplete reporting
☐ f. Administrative data in details
☐ g. Incorrect code section cited
☐ h. Failed to
☐ 1. Take sworn statement
☐ 2. Show employed key facility
☐ 3. Show date information received
☐ 4. Show name of Agent conducting interview
☐ 5. Show has access classified data at key facility
☐ i. Characterization omitted
☐ j. "Place" omitted in jurat of sworn statement
☐ k. No indication U. S. Marshal notified

☐ 15. Form

- ☐ a. Incomplete
☐ b. Incorrect
☐ c. Failed to submit

☐ 16. Enclosures

- ☐ a. Not received ☐ c. Not submitted ☐ d. Submit travel card
☐ b. Not described ☐ 1. Disposition Sheet

☐ 17. Security Classification

- ☐ a. Incorrect ☐ c. Reason not shown
☐ b. Declassify ☐ d. Omitted

☐ 18. Leads

- ☐ a. Not set out ☐ b. Too vague

☐ 19. Informants

- ☐ a. FBI No. not given ☐ d. Not identified
☐ b. 30-day contact statement missing ☐ e. Date of FBI Identification Division record check not listed
☐ c. Incorrect T symbol ☐ f. Reliability statement
☐ Omitted ☐ Incorrect

☐ 20. Reference

- ☐ a. Incorrect ☐ b. Omitted

☐ 21. Abstract

☐ 22. Misspelling, page _____

☐ 23. Typographical error

☐ 24. Incorrect use of

- ☐ a. Airtel ☐ b. Teletype

☐ 25. Resubmit promptly in form suitable for dissemination ☐ LHM

☐ 26. Incorrect date(s)

☐ 27. Miscellaneous

☐ 28. Bureau mailing instructions, Manual of Administrative Operations and Procedures, Part II, Section 2-2.2. _____ not followed.

☐ 29. Submit appropriate amended pages.

☐ 30. Fugitive Airtel

- Omitted ☐ a. Fugitive priority ☐ b. Synopsis of crime

(Alpha omitted from title)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [redacted]
01-58

SAE

b6
b7C

196-1774-407

SEARCHED.....	INDEXED.....
SERIALIZED.....	FILED.....
DEC 10 1985	
NEW YORK	
IRVP	

FBI/DOJ

PART II

SECTION 21. FUGITIVE - GENERAL

21-1 FUGITIVE DEFINITION

A "fugitive" is the subject of a Bureau investigation for whom a Federal arrest warrant has been issued and whose whereabouts is unknown; or an individual whose whereabouts is unknown and whom the Bureau, by directive or agreement, has the responsibility for apprehending. A subject otherwise meeting these criteria who is outside the United States is considered a fugitive regardless whether he/she is in custody or not until such time as he/she is returned to United States control in the United States.

[21-2 "A," "B," "C," AND "D" FUGITIVE PRIORITIES

[(1) [To reflect investigative importance in the fugitive area, all fugitives will be designated either an "A," "B," "C," or "D" priority. "A," "B," and "D" fugitives are Priority Case Indicator (PCI) fugitives.]

(2) An "A" fugitive is a subject wanted for crimes of violence against the person, such as murder, manslaughter, forcible rape, robbery, and aggravated assault; one convicted of such a crime within the past five years or one who has been incarcerated after conviction for a crime of violence and escapes from custody or supervision (parole, probation) prior to completion of their sentence or term of supervision.

(3) A "B" fugitive is a subject wanted for a crime involving the loss or destruction of property valued in excess of \$25,000, one being sought for criminal charges involving in excess of two ounces of heroin or cocaine, 1,000 pounds of marijuana or 10,000 dosage units of clandestinely manufactured dangerous or hallucinogenic drugs, or a subject convicted of the above crimes within the past five years or one who has been incarcerated after conviction for such offenses and escapes from custody or supervision (parole, probation) prior to completion of their sentence or term of supervision.

[(4) "C." [All others, except UFAP-Parental Kidnaping fugitives, who will be designated "D" fugitives.]

(5) All communications, regardless of the fugitive classification, should carry the appropriate priority letter in parentheses in the title after the word, fugitive, which will identify the subject's priority ranking. For example:

JOHN DOE - FUGITIVE (A)
UFAP-MURDER
OO: Albany

JOHN DOE - FUGITIVE (C)
FAG
OO: Albany

(6) If a situation arises where a fugitive of a lower priority becomes wanted for an offense of a higher priority, the case should be promptly elevated to the newer appropriate priority letter ranking.

(7) The above priorities are by no means absolute in terms of significance of importance. Therefore, priority "C" may contain some relatively high impact cases.

21-3 OBJECTIVES OF THE BUREAU'S FUGITIVE PROGRAM

(1) To effect the swift location and apprehension of all FBI fugitives, particularly those wanted in connection with crimes of violence, substantial property loss or destruction and illicit drug trafficking.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-91 BY [REDACTED]

b6
b7C

1411
10/10/83

MIOG

FORMS, TEXT HAS 1 DOCUMENT

INBOX.1 (#3085)

TEXT:

VZCZCHQ01040

RR NY

DE HQ #1040 3470026

ZNR UUUUU

R 122043Z DEC 85

FM DIRECTOR, FBI

TO FBI, NEW YORK (196A-1774) ROUTINE

BT

UNCLAS

MARC RICH - FUGITIVE; FBW; RICO; TE; MF; OO: NEW YORK.

REBUCAL TO NEW YORK 10-10-85, BUREAU TELETYPE TO NEW YORK
DATED 10-26-85 AND YOUR TELETYPE DATED 11-2-85.

REFERENCED TELETYPE REQUESTED THE IDENTIFICATION DIVISION
TO MODIFY NCIC TO SHOW SPECIAL AGENT [REDACTED] INSTEAD
OF SPECIAL AGENT [REDACTED] AND TO INCLUDE NEW YORK FILE
NUMBER 196A-1774. THE IDENTIFICATION DIVISION, POSTING SECTION
CANNOT MODIFY YOUR NCIC RECORD. MODIFICATIONS IN NCIC HAVE TO
BE MADE BY OFFICE THAT ENTERED WANTED NOTICE IN NCIC; THEREFORE,
YOUR OFFICE SHOULD IMMEDIATELY MAKE THE NECESSARY MODIFICATIONS.

b6
b7C

BT

#1040

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-81 BY [REDACTED] 01-81

NNNN

b6
b7C

196A-1774-408

SEARCHED <input checked="" type="checkbox"/>	INDEXED <input checked="" type="checkbox"/>
SERIALIZED <input checked="" type="checkbox"/>	FILED <input checked="" type="checkbox"/>
DEC 13 1985	
PRK IRUR	

FOUNDA TEXT HAS DOCUMENT

INBOX.1 (#3085)

TEXT:

VZCZCHQ01940

RR NY

DE HQ #1040 3470026

ZNR UUUUU

R 122043Z DEC 85

FM DIRECTOR, FBI

TO FBI, NEW YORK (196A-1774) ROUTINE

BT

UNCLAS

MARC RICH - FUGITIVE; FBW; RICO; TE; MF; OO: NEW YORK.

REBUCAL TO NEW YORK 10-10-85. BUREAU TELETYPE TO NEW YORK
DATED 10-26-85 AND YOUR TELETYPE DATED 11-2-85.

REFERENCED TELETYPE REQUESTED THE IDENTIFICATION DIVISION
TO MODIFY NCIC TO SHOW SPECIAL AGENT [REDACTED] INSTEAD
OF SPECIAL AGENT [REDACTED] AND TO INCLUDE NEW YORK FILE
NUMBER 196A-1774. THE IDENTIFICATION DIVISION, POSTING SECTION
CANNOT MODIFY YOUR NCIC RECORD. MODIFICATIONS IN NCIC HAVE TO
BE MADE BY OFFICE THAT ENTERED WANTED NOTICE IN NCIC; THEREFORE,
YOUR OFFICE SHOULD IMMEDIATELY MAKE THE NECESSARY MODIFICATIONS.

b6
b7C

BT

41040

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-2-91 BY [REDACTED]

01-081

b6
b7C

196A-1774-1038

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 13 1985	
FBI - NEW YORK	

NNNN

b6
b7C

10.22

FD-36 (Rev. 5-22-78)

~~SECRET~~
FBI

Collective
& additions
made

TELETYPE

IMMEDIATE

~~SECRET~~

11/25/85

Corrections
Pg 1+8
m

IMMEDIATE
NEW YORK (196A-1774) (P) (C-1)
IMMEDIATE
DIRECTOR FBI ()

01527

ATTN: SUPERVISOR [redacted] FCU, DIVISION 6

b6
b7C

IMMEDIATE
NEW HAVEN ()

ATTN: SPECIAL AGENT [redacted] (Information)

BT
~~SECRET~~

MARC GREEN-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELS TO THE BUREAU, DATED JUNE 11, 1985, JULY 2, 1985,
SEPTEMBER 26, 1985 AND SEPTEMBER 30, 1985, AND NYTELCALS TO THE

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor C-1
WMM:lb018V2
(2)

b6
b7C

96-1774-409

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 26 1985	
FBI NEW YORK	

Approved: [signature] Transmitted 329/139 Per [signature]
140

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: Chy

2-21-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C-1)
DECLASSIFY ON: X 1.0
61-081

b6
b7C

~~SECRET~~

~~SECRET~~

BUREAU, LEGAT, BONN, AND NEW HAVEN, ON SEPTEMBER 30, 1985 THROUGH NOVEMBER 25, 1985.

THE PURPOSE OF THIS TELETYPE IS TWO FOLD. FIRST, TO ADVISE THE BUREAU, LEGAT, BONN, AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER. SECOND, TO REQUEST [REDACTED] AUTHORITY (IF NEEDED) FOR SPECIAL AGENTS [REDACTED] NYO, AND [REDACTED] NEW HAVEN, [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] DUE TO THE NATURE OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN, WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

b6
b7C
b7D
b7F

REFERENCED NEW YORK TELETYPES PROVIDED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

[REDACTED]
[REDACTED] (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

ONE OF THE

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

SINCE THE

b7D
b7F

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b7D
b7F

[Redacted]

~~(S)~~

SOURCE ADVISED

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

SOURCE IDENTIFIED

b6
b7C
b7D
b7F

[Redacted]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

ON OCTOBER 4, 1985,

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

b6
b7C
b7D
b7F

SINCE THE [REDACTED] (S) (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

ON NOVEMBER 22, 1985, SOURCE ADVISED THAT

[Redacted]

b6
b7C
b7D
b7F

[Redacted]

~~(S)~~ (U)

SOURCE NOTED THAT

[Redacted] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[Redacted] (U) ~~(S)~~

b6
b7C
b7D
b7F

[Redacted]

[Redacted] (U) ~~(S)~~

ON NOVEMBER 22, 1985, SOURCE ADVISED [Redacted]

[Redacted]

b6
b7C
b7D
b7F
b7E

[Redacted]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

[REDACTED]

(U) ~~(S)~~

BASED ON ABOVE INFORMATION AND

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

JUSTIFICATION FOR

[REDACTED]

~~SECRET~~

~~SECRET~~

SPECIAL AGENT [] IN THE [] SOURCE CASE AGENT.
SPECIAL AGENT []

b6
b7C
b7D
b7E

[] SPECIAL AGENT []
[]
[] (U)

b6
b7C
b7E

SPECIAL AGENT [] IS THE ORIGINAL NEW YORK CASE AGENT FOR THE
"MARC RICH" CASE. BASED ON SPECIAL AGENT [] EFFORTS, FINES OF
\$200,000,000.00 WERE IMPOSED ON AND PAID BY RICH'S COMPANIES AS A
SETTLEMENT OF THE CRIMINAL CASE AGAINST THE RICH COMPANIES. SPECIAL
AGENT [] IS THE ONLY FBI AGENT WHO HAS MET AND CAN IDENTIFY BOTH
SUBJECTS. SPECIAL AGENT []

[]

b6
b7C
b7E

SAC, DIVISION II, NEW YORK, AND LEGAT, BONN, CONCUR WITH []
[] SAS [] BUREAU IS REQUESTED TO
AUTHORIZE []

~~SECRET~~

~~SECRET~~

SOURCE PROVIDING INFORMATION OF [REDACTED] (S) (U) INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL JEOPARDY.

b7D
b7F

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO LEGAT, BONN, FOR INFORMATION.

ADMINISTRATIVE

FOR INFORMATION OF THE BUREAU, SOURCE [REDACTED]

b6
b7C
b7D
b7F

~~C BY C 3, DECL: OADR~~

(S) (U)

~~SECRET~~

OUTBOX.7 #957)

b6
b7C

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

~~SECRET~~

SUBJECT: 329/139 IMMEDIATE

DATE: 26 NOV 85 01:52:08 EST

CC:

TEXT: VZCZCNY0139

OO HQ NH

DE NY #0139 3292236

ZNY SSSSS

R 252154Z NOV 85

FM FBI NEW YORK #196A-1774) (P) (C-1)

TO DIRECTOR FBI IMMEDIATE

ATTN: SUPERVISOR [REDACTED] FCU, DIVISION 6

FBI NEW HAVEN IMMEDIATE

b6
b7C

ATTN: SPECIAL AGENT [REDACTED] (INFO)

BT

~~SECRET~~ SECTION 1 OF 2

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

MARC RICH-FUGITIVE; PINCUS GREEN-FUGITIVE; ET AL; FBW; MAIL FRAUD;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELS TO THE BUREAU, DATED JUNE 11, 1985, JULY 2, 1985,
SEPTEMBER 26, 1985 AND SEPTEMBER 30, 1985, AND NYTELCALS TO THE
BUREAU, LEGAT, BONN, AND NEW HAVEN, ON SEPTEMBER 30

196-1774-409

221-01
CLASSIFIED BY: [REDACTED]

REASON: 1.5

DECLASSIFY ON: X

b6
b7C

~~SECRET~~

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 26 1985	
FBI NEW YORK	

Em

NOVEMBER 25, 1985.

THE PURPOSE OF THIS TELETYPE IS TWO FOLD. FIRST, TO ADVISE THE BUREAU, LEGAT, BONN, AND NEW HAVEN OF DEVELOPMENTS IN CAPTIONED MATTER. SECOND, TO REQUEST [REDACTED] AUTHORITY (IF NEEDED) FOR SPECIAL AGENTS [REDACTED] NYO, AND [REDACTED] NEW HAVEN, [REDACTED]

[REDACTED] DUE TO THE NATURE OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN, WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

REFERENCED NEW YORK TELETYPES PROVIDED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7E

b6
b7C
b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~)(U)

ONE OF THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~)(U)

SINCE THE

[REDACTED]

[REDACTED]

b7D
b7F

(~~S~~)(U)

~~SECRET~~

[REDACTED]

b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE ADVISED

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

SOURCE IDENTIFIED

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

ON OCTOBER 4, 1985,

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (~~S~~) (U)

~~SECRET~~

SINCE THE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

ON NOVEMBER 22, 1985, SOURCE ADVISED THAT

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0139

~~SECRET~~

OUTBOX.8 #958)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 329/140 IMMEDIATE

DATE: 26 NOV 85 01:55:52 EST

CC:

TEXT: VZCZCNY0140

OO HQ NH

DE NY #0140 3292236

ZNY SSSSS

R 252154Z NOV 85

FM FBI NEW YORK #196A-1774) #P) #C-1)

TO DIRECTOR FBI IMMEDIATE

FBI NEW HAVEN IMMEDIATE

BT

~~SECRET~~ SECTION 2 OF 2

[REDACTED]

[REDACTED]

~~(S)~~ (U)

SOURCE NOTED THAT

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

ON NOVEMBER 22, 1985, SOURCE ADVISED

[REDACTED]

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F
b7E

BASED ON ABOVE INFORMATION AND

[REDACTED]

[REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F
b7E

~~(S)~~ (U)

JUSTIFICATION FOR

b6
b7C
b7D
b7F
b7E

SPECIAL AGENT [] IS THE [] SOURCE CASE AGENT.

SPECIAL AGENT

(U)
~~(S)~~

~~SECRET~~

[REDACTED]
[REDACTED]
SPECIAL AGENT [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] (S) (U)

b6
b7C
b7D
b7F

SPECIAL AGENT [REDACTED] IS THE ORIGINAL NEW YORK CASE AGENT FOR THE "MARC RICH" CASE. BASED ON SPECIAL AGENT [REDACTED] EFFORTS, FINES OF \$200,000,000.00 WERE IMPOSED ON AND PAID BY RICH'S COMPANIES AS A SETTLEMENT OF THE CRIMINAL CASE AGAINST THE RICH COMPANIES. SPECIAL AGENT [REDACTED] IS THE ONLY FBI AGENT WHO HAS MET AND CAN IDENTIFY BOTH SUBJECTS. SPECIAL AGENT [REDACTED]
[REDACTED]

b6
b7C
b7E

SAC, DIVISION II, NEW YORK, AND LEGAT, BONN, CONCUR WITH [REDACTED]

[REDACTED] SAS [REDACTED]

BUREAU IS REQUESTED TO

AUTHORIZE [REDACTED]

b6
b7C
b7E

~~SECRET~~

PAGE SIX DE NY 0140 ~~SECRET~~ SECTION 2 OF 2

SOURCE PROVIDING INFORMATION OF ~~(S)~~ (U) INFORMATION FROM
THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF
THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. IF SOURCE'S
IDENTITY IS DISCLOSED, BOTH SOURCE AND FAMILY WILL BE IN PHYSICAL
JEOPARDY.

b7D
b7F

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN, FOR INFORMATION.

ADMINISTRATIVE

FOR INFORMATION OF THE BUREAU, SOURCE

b6
b7C
b7D
b7F

~~C BY G-3, DECL: OADR~~

BT

#0140

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

~~SECRET~~

b6
b7C

FD-36 (Rev. 5-22-78)

18.28

~~SECRET~~

TELETYPE

PRIORITY

~~SECRET~~

12/12/85

Correction
pg 4

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY

DIRECTOR FBI ()

ATTN: SUPV. [redacted]

FCU, DIVISION 6

PRIORITY

NEW HAVEN ()

ATTN: SA [redacted]

b6
b7C

BT

~~SECRET~~

18,33/18541

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO DIRECTOR, NOVEMBER 25, 1985, AND NUMEROUS TELCALLS
BETWEEN NEW YORK, BUREAU, LEGAT, BONN AND NEW HAVEN, NOVEMBER 25,
1985 TO DECEMBER 12, 1985.

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

2-22-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C&T)
DECLASSIFY ON: X1,6
01-061

196-1774-410

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 16 1985	

[redacted] RUC

b6
b7C

1 - New York
1 - Supervisor C-1
WMM:tb117V3

(2)
ly

Approved: [signature]

Transmitted

347

145

Per

[signature]

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: [signature]

~~SECRET~~

146

~~SECRET~~

b7D

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDED DISSEMINATION OF CONTENTS TO [REDACTED] BY LEGAT, BONN.

REFERENCED NEW YORK TELETYPE ADVISED OF [REDACTED]

THE FOLLOWING

b6

INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE

b7C

b7D

b7F

SOURCE NOTED [REDACTED]

b6

b7C

b7D

b7F

(U)

(U)

~~SECRET~~

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~ (U)

SOURCE SAID

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

DURING THE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~(U)

AS PREVIOUSLY PLANNED,

[REDACTED]

b7D
b7F

[REDACTED]

[REDACTED]

~~(S)~~(U)

~~SECRET~~

~~SECRET~~

[redacted] ~~(S)~~ (U)

ON

b6
b7C
b7D
b7F

[redacted]

~~(S)~~ (U)

IN A POSSIBLY RELATED MATTER,

b6
b7C
b7D
b7F

[redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

BASED ON [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

NEW YORK WILL KEEP BUREAU AND RECEIVING OFFICES ADVISED OF DEVELOPMENTS.

ADMINISTRATIVE

b7D
b7F

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] (S) (U) INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. [REDACTED]

~~SECRET~~

~~SECRET~~

b7D [] SOURCE IS [] FBI INVESTIGATIONS AND
b7F SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS
DISCLOSED.

FOR INFORMATION OF THE BUREAU, PRIOR TO THE []

b6
b7C
b7D
b7F

(U)

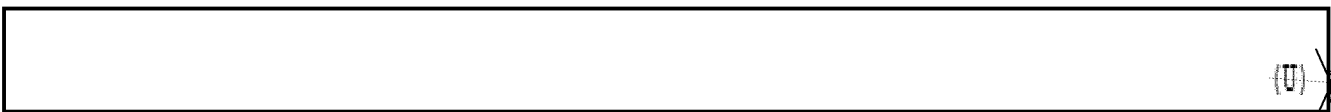
~~(S)~~

~~SECRET~~

~~SECRET~~

~~DECLASS~~

b6
b7C
b7D
b7F



BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN FOR INFORMATION.

~~C BY G 3; DECL; OADR.~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

OUTBOX.1 (#3260)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 347/145 PRIORITY

DATE: 14 DEC 85 18:33:51 EST

CC:

TEXT: VZCZCNY0145

PP HQ NH

DE NY #0145 3472301

ZNY SSSSS

R 132231Z DEC 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

b6
b7C

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. FCU, DIVISION 6

FBI NEW HAVEN PRIORITY

ATTN: SA

BT

~~SECRET~~ SECTION 1 OF 2

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

2-21-81
CLASSIFIED BY
REASON: 1.5 (C, d)
DECLASSIFY ON: X 1, 6
01-081

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK.

RENYTEL TO DIRECTOR, NOVEMBER 25, 1985, AND NUMEROUS TELCALLS
BETWEEN NEW YORK, BUREAU, LEGAT, BONN AND NEW HAVEN, NOVEMBER 25,
1985 TO DECEMBER 12, 1985.

196-1774 -410

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 16 1985	
FBI NEW YORK	

~~SECRET~~

PAGE TWO DE NY 0145 ~~SECRET~~ SECTION 1 OF 2

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO CLASSIFY THIS TELETYPE ~~"SECRET"~~ WHICH PRECLUDES DISSEMINATION OF CONTENTS TO [REDACTED] BY LEGAT, BONN. b7D

REFERENCED NEW YORK TELETYPE ADVISED OF [REDACTED]

[REDACTED] THE FOLLOWING

INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE NOTED [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

Source

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE SAID

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

(U)

X

X

(U)

(S)

b6
b7C
b7D
b7F

(S)
(S)

~~SECRET~~

b7D
b7F

DURING THE

b6
b7C
b7D
b7F

~~SECRET~~

AS PREVIOUSLY PLANNED, [REDACTED]

b7D
b7F

~~(S)~~ (U)

ON [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN A POSSIBLY RELATED MATTER, [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

BASED ON

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

NEW YORK WILL KEEP BUREAU AND RECEIVING OFFICES ADVISED OF

BT

#0145

~~SECRET~~

OUTBOX.1 (#3261)

TO: HQ1 @ SAMNET-EMH, NH @ SAMNET-EMH

b6
b7C

FROM: NY @ SAMNET-EMH

~~SECRET~~

SUBJECT: 347/146 PRIORITY

DATE: 14 DEC 85 18:41:54 EST

CC:

TEXT: VZCZCNY0146

PP HQ NH

DE NY #0146 3472301

ZNY SSSSS

R 132231Z DEC 85

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

DEVELOPMENTS.

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS ~~(S)~~ (U) INFORMATION
FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLEING
OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE.

b7D
b7F

SOURCE IS FBI INVESTIGATIONS AND
SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS
DISCLOSED.

~~SECRET~~

PAGE TWO DE NY 0146 ~~SECRET~~ SECTION 2 OF 2

FOR INFORMATION OF THE BUREAU, PRIOR TO THE

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

PAGE THREE DE NY 0146 ~~SECRET~~ SECTION 2 OF 2

BUREAU IS REQUESTED TO DISSEMINATE CONTENTS OF THIS TELETYPE TO
LEGAT, BONN FOR INFORMATION.

~~C BY C-3; DECL; OADR~~

BT

#0146

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

~~SECRET~~

Fugitive Marc Rich to Acquire Refinery From Charter Through His U.S. Concern

By GEORGE GETSCHOW

Staff Reporter of THE WALL STREET JOURNAL

HOUSTON—Marc Rich, the mysterious oil trader who is hiding out in Switzerland to avoid U.S. charges of tax evasion, fraud and racketeering, has entered into one of his most mysterious deals to date.

Mr. Rich and his fugitive partner, Pincus Green, have signed a letter of intent to purchase for \$30 million a big, 70,000 barrel-a-day refinery here from Charter Co., the Jacksonville, Fla.-based oil and insurance concern operating under Chapter 11 bankruptcy-law protection. Messrs. Rich and Green are making the purchase through their U.S.-based Channel Refinery Inc.

In announcing the sale last month, Charter never disclosed that Mr. Rich was involved, and even some of its creditors learned of it only this week. "We just heard about it through the grapevine," says Roger Miller, chairman of Charter's unsecured creditors committee.

Alexander Zechella, Charter's president and chief executive officer, concedes that Mr.

Rich's fugitive status "gave us pause." He says, "We'd rather do a deal with someone who isn't a fugitive, but Channel Refinery is a legal operating U.S. company.... We're not dealing with (Rich)."

Indeed, there is nothing illegal about transacting business with a Rich-owned company operating in the U.S. After Mr. Rich's Swiss-based trading concern and its former U.S. unit paid the U.S. government almost \$200 million and pleaded guilty to tax evasion and other charges, government prosecutors lifted attachments on his U.S. assets and allowed the company's operations to reopen.

Currently, "there's no restrictions on a fugitive like Mr. Rich sending his money anywhere he wants," says U.S. attorney Rudolph Giuliani, a prosecutor involved in the settlement. "He just can't go to the U.S."

From Mr. Rich's point of view, the deal appears to be a sweet one: a \$7.5 million letter of credit up front and the balance paid in various installments bearing 3% to 9% interest over the next four years.

"That's the best deal I've ever heard of in a long time," says A. Allan Muse, a Houston energy consultant who recently retired as the plant foreman at a nearby Atlantic Richfield Co. refinery. Even in today's depressed refining market, where dozens of plants have been shut down or put up for sale, "that's a darn good deal," Mr. Muse says.

But Mr. Rich, who once headed the world's largest oil trading and commodities concern, must savor the bargain from



Marc Rich

a distance. After he was indicted in 1983 on charges of evading at least \$48 million in taxes on illegal oil-trading profits, Mr. Rich fled to Switzerland, where his trading company is based. He has been safe from prosecution because the Swiss have denied the U.S. government's request for his extradition.

Even though Mr. Rich's U.S. operations are free to conduct business in the U.S., creditors expressed nervousness over whether Mr. Rich's company would have trouble financing the purchase. "That's a real concern," says Kenneth Fisher, a member of Charter's equity holders committee. Since Charter is dealing with a company owned by fugitives, Mr. Fisher said that "financiers might be concerned about lending to a situation like this."

Mr. Miller, head of the unsecured creditors, says his committee has requested a meeting with Charter Oil officials "to investigate the Marc Rich issue more closely" before a definitive agreement is signed.

Nonetheless, Mr. Fisher says creditors haven't raised objections to the sale because "management believes the sale can be done... (and) from my point of view if the company pays money and it's the highest bid around, that's great."

Everybody connected with the sale, it seems, wants the deal to go through. For instance, Edwin Wells of Allen & Co., the investment banking firm that arranged the sale, stands to make around \$3 million if the deal is completed. Mr. Wells couldn't be reached, but Mr. Fisher said, "His incentive is to see the deal go through."

Mr. Zechella, Charter's president, says that he is "happy" with the \$30 million offer, even though Charter has invested several hundred million dollars in the plant. "There's a lot of other refiners on the market and few buyers," he says.

And sources close to Mr. Rich say that he, more than anyone, would like to complete the deal. "Rich has got a netback deal with the Arabs to buy 400,000 barrels of oil a few dollars below the marker price (\$28 a barrel), as long as he's got a market for it," says an oil-industry executive close to Mr. Rich. "So he needs that refinery or the deal is off."

Mr. Zechella says he doesn't know exactly why Mr. Rich wants his plant. But judging by his past record—Charter purchased tens of millions of dollars of crude oil from Mr. Rich in 1980—"he wouldn't be bidding on it if he didn't have something up his sleeve," says Mr. Zechella. "He usually doesn't get into deals that he hasn't already figured out."

(Indicate page, name of newspaper, city and state.)

WALL STREET JOURNAL

Date:

12/6/85

Edition:

Title:

MARC RICH and
FOW
OO: NY

Character:

or

Classification:

Submitting Office:

196A-1774

Indexing:

MARC RICH

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY
a-081

b6

b7c

196-1774-411

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 11 1985	
FBI - NEW YORK	

[Signature]

(Mount Clipping in Space Below)

48 THE WALL STREET JOURNAL THURSDAY, JANUARY 23, 1986

(Indicate page, name of newspaper, city and state.)

Date:
Edition:1/23/86
WALL STREET
JOURNAL

Title:

MARC RICH

Character:

or
Classification:
Submitting Office:

196A-1774

Indexing:

UNDERLINED

Phibro Tops Bid By Old Adversary For Oil Refinery

* * *

Charter Co. Accepts Offer Of \$30 Million, Ends Pact With a Marc Rich Firm

By THOMAS E. RICKS

Staff Reporter of THE WALL STREET JOURNAL
Phibro-Salomon Inc. topped an old adversary's bid for Charter Co.'s oil refinery in Houston, Texas.

The big New York investment banking, securities and commodity trading concern said its Hill Petroleum Co. unit has a definitive agreement to buy the 70,000-barrel-a-day refinery for \$30 million.

In November, Channel Refinery Inc., owned by fugitive oil traders Marc Rich and Pinus Green, agreed to pay \$30 million in cash and notes for the refinery. But a Charter spokeswoman said Channel's "exclusivity period" expired while negotiations were under way.

Charter is operating under Chapter 11 of the federal Bankruptcy Code. Sale of the refinery must be approved by the U.S. bankruptcy court in Jacksonville, Fla., where Charter is based.

Phibro's relationship with Marc Rich dates back to the 1950s, when Mr. Rich joined Philipp Brothers, Phibro's predecessor. He left the trading company in the early 1970s and set up Marc Rich & Co., hiring away dozens of former Phibro traders. Messrs. Rich and Green fled to Switzerland in 1983 after they were indicted on charges of evading at least \$48 million in taxes on illegal oil-trading profits. But Marc Rich & Co.'s U.S. operations were permitted to reopen after pay-

ing the U.S. government almost \$200 million and pleading guilty to tax evasion and other charges.

Robert S. Salomon Jr., a managing director of Phibro's Salomon Brothers, said that Mr. Rich's interest in the Houston refinery is irrelevant to Phibro's. He said Phibro ventured into refining last year for the first time and has been pleased by the results. He said the refinery, in Krotz Springs, La., processes sweet crude, while Charter's somewhat larger and more sophisticated Houston facility can refine higher-sulfur sour crude.

Channel indicated that it may challenge Phibro's agreement to acquire the Houston facility. In a statement, it said that when the bankruptcy court reviews the transaction, "Channel will have the opportunity to submit a further bid." It added, "according to law, the refinery assets will be sold to the highest bidder." A Channel spokesman didn't elaborate, and the company's New York attorney couldn't be reached.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-91 BY [redacted]

01-081

b6
b7c

SEARCHED INDEXED
SERIALIZED FILED
JAN 24 1986
FBI - NEW YORK

196-1774-412

INBOX.6 (#862)

TO: HQ1 @ SAMNET-EMH, NY @ SAMNET-EMH

FROM: MM @ SAMNET-EMH

SUBJECT: 090/0008 IMMEDIATE

DATE: 31 MAR 86 20:27:43 EST

CC:

TEXT:

MMO 0008 0902127

OO HQ NY

DE MM

O 312117Z MAR 86

FM MIAMI (196A-NEW) (P)

TO DIRECTOR IMMEDIATE

b6
b7C

(ATTN.: SUPERVISOR [REDACTED] WCC SECTION, ROOM 3839)

ADIC, NEW YORK (196A-1774) IMMEDIATE

DECLASSIFIED BY [REDACTED]
ON 2-22-61

01-081

BT

~~SECRET~~

MARC RICH - FUGITIVE (B); PINCUS GREEN - FUGITIVE (B); ET AL;
FBW; MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:
NYO.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RE NYO TELETYPE TO THE DIRECTOR, MARCH 26, 1986 (RECEIVED AT
MIAMI MARCH 28, 1986), AND TELCALLS BETWEEN BUREAU SUPERVISOR
[REDACTED] AND MIAMI ASAC [REDACTED] MARCH 28, 1986.

b6
b7C

MIAMI HAS REVIEWED THE INFORMATION CONTAINED IN RETEL, AND
OFFERS THE FOLLOWING FACTS TO SUPPORT ITS POSITION THAT FBI MIAMI
IS CAPABLE OF [REDACTED]

413
196A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
MAR 31 1986	
FBI - MIAMI	

b7E

b6
b7C

PAGE TWO MM 196A-NEW S E C R E T

[REDACTED]

1. MIAMI FBI HAS ESTABLISHED [REDACTED]

[REDACTED]

2. THE CURRENT MIAMI SPECIAL AGENT HANDLING THE [REDACTED]

[REDACTED] HAS BEEN IN THIS POSITION FOR THE LAST [REDACTED]

AND HAS HANDLED HIS RESPONSIBILITIES EFFICIENTLY AND EFFECTIVELY.

3. MIAMI HAS ESTABLISHED [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

4. MIAMI FBI HAS A DEMONSTRATED ABILITY TO OBTAIN [REDACTED]

[REDACTED]

5. MIAMI'S [REDACTED]

[REDACTED]

6. MIAMI'S [REDACTED]

PAGE THREE MM 196A-NEW S E ~~C~~R E T

b7E

BASED ON THE ABOVE REASONS, MIAMI FORSEES NO REASON ITS
AGENTS [REDACTED] IN A SUCCESSFUL MANNER.

IT IS RECOGNIZED THAT ANY [REDACTED]

b7E

IT IS ALSO POINTED OUT THAT MIAMI WILL NEED AS MUCH ADVANCE
NOTICE AS POSSIBLE PERTAINING TO THE [REDACTED]

[REDACTED] MAY BE MADE ON A TIMELY
BASIS. IF MIAMI FBI IS DIRECTED TO [REDACTED]

b7E

PAGE FOUR MM 196AEW S E ~~U~~ E T

b7D
b7E

~~CLASSIFIED BY G-3, DECLASSIFY ON OADR.~~

BT

INMEX-8 (#662)

TO: HQ @ SAMNET-ENH, NY @ SAMNET-ENH

FROM: MM @ SAMNET-ENH

SUBJECT: 090/0008 IMMEDIATE

DATE: 31 MAR 86 20:27:45 EST

CC:

TEXT:

MMO 0008 0902127

OO HQ NY

DE OM

O 312117Z MAR 86

FM MIAMI (196A-NEW) (P)

TO DIRECTOR IMMEDIATE

CATTN: SUPERVISOR [REDACTED]

WDC SECTION, ROOM 3839)

b6
b7C

ADIC, NEW YORK (196A-1774) IMMEDIATE

BT

DECLASSIFIED BY [REDACTED]
ON 2-21-01

61-081

S E C R E T

MARC RICH - FUGITIVE (B); PINCUS GREEN - FUGITIVE (B); ET AL;

FMW: MF: RICH: INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:

NYO.

THIS TELETYPE IS CLASSIFIED ~~SECRET~~ TO ITS ENTIRETY.

RE NYO TELETYPE TO THE DIRECTOR, MARCH 26, 1986 (RECEIVED AT

MIAMI MARCH 26, 1986), AND TELCALLS BETWEEN BUREAU SUPERVISOR

[REDACTED] AND MIAMI ASAC [REDACTED] MARCH 26, 1986.

b6
b7C

MIAMI HAS REVIEWED THE INFORMATION CONTAINED IN RETEL, AND

OFFERS THE FOLLOWING FACTS TO SUPPORT ITS POSITION THAT FBI MIAMI

IS CAPABLE OF [REDACTED]

1 1986

NEW YORK

b7E

PAGE TWO MIN 196A-NEW 3 E G R E T

[REDACTED]

1. MIAMI FBI HAS ESTABLISHED [REDACTED]

[REDACTED]

2. THE CURRENT MIAMI SPECIAL AGENT HANDLING THE [REDACTED]

[REDACTED] HAS BEEN IN THIS POSITION FOR THE LAST [REDACTED]

AND HAS HANDLED HIS RESPONSIBILITIES EFFICIENTLY AND EFFECTIVELY.

3. MIAMI HAS ESTABLISHED [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

4. MIAMI FBI HAS A DEMONSTRATED ABILITY TO OBTAIN [REDACTED]

[REDACTED]

5. MIAMI'S [REDACTED]

[REDACTED]

6. MIAMI'S [REDACTED]

196-1778

PAGE THREE MM 196A-NEW ~~S E C R E T~~

[REDACTED]

b7E

BASED ON THE ABOVE REASONS, MIAMI FORSEES NO REASON ITS
AGENTS [REDACTED] IN A SUCCESSFUL MANNER.

IT IS RECOGNIZED THAT ANY [REDACTED]

[REDACTED]

b7E

IT IS ALSO POINTED OUT THAT MIAMI WILL NEED AS MUCH ADVANCE
NOTICE AS POSSIBLE PERTAINING TO THE [REDACTED]

[REDACTED] MAY BE MADE ON A TIMELY
BASIS. IF MIAMI FBI IS DIRECTED TO [REDACTED]

[REDACTED]

b7E

PAGE FOUR RM 196AEW ~~SECRET~~

b7D
b7E

~~CLASSIFIED BY 6-3. DECLASSIFY ON OADR.~~

ET

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ Airtel _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/9/86

TO: SAC, MIAMI (ATTN: ASAC) b6
b7C

FROM: ADIC, NEW YORK (196A-1774) (P) (C-1)

SUBJECT: MARC RICH - FUGITIVE (B);
PINCUS GREEN - FUGITIVE (B);
ET AL;
FBW; MF; RICO; INCOME TAX EVASION;
TRADING WITH THE ENEMY
(OO:NY)

Being sent under separate cover by express mail are the following documents concerning captioned subjects.

MARC RICH & PINCUS GREEN

- A) One copy of the September, 1983 indictment in the SDNY of RICH, GREEN and their companies.
- B) One photographs from the January 23, 1984, edition of Forbes Magazine containing the most recent photograph of both subjects (November, 1983).
- C) Summary LHM dated 12/2/83 describing the fraud committed by RICH and GREEN.

MARC RICH

- A) One copy of an arrest warrant from the SDNY dated 9/19/83 with three passport photographs attached.

3 - Miami
(1 Package Copy Encl. 11)

② - New York - 1-196A-1774

WMM:mma

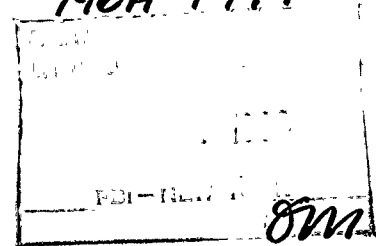
(6)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-22-01 BY

b6
b7C

01-081

Approved: _____ Transmitted _____ Per 196A-1774
(Number) (Time)



NY 196A-1774

- B) Photocopy of Microfilmed documents from passport services, U.S. Department of State, concerning U.S. passports issued to MARC RICH.
- C) Descriptive and Background Data concerning RICH obtained from NYO files.

PINCUS GREEN

- A) One copy of an arrest warrant from the SDNY dated 9/19/83 with three passport photographs attached.
- B) Two photographs from FBIHQ Identification Division of fingerprints of PINCUS GREEN taken 1/13/55 for the U.S. Army.
- C) Photocopy of microfilmed documents from passport service, U.S. Department of State, concerning passports issued to PINCUS GREEN.
- D) Descriptive and Background Data concerning GREEN obtained from NYO files.

FBI

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☒ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☒ ~~SECRET~~
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/7/86

FM ADIC, NEW YORK

TO DIRECTOR, FBI (IMMEDIATE)

(ATTN: SUPV. [REDACTED] FCU, DIV. 6)

SAC, MIAMI (IMMEDIATE)

(ATTN: ASAC [REDACTED])

SAC, NEW HAVEN (PRIORITY)

(ATTN: SA [REDACTED] INFORMATION)

b6
b7cb6
b7c

Corrections
Sect. 1 Pg 3,
Sect. 2 Page 1
ll

Card corrected
mma

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW;
 MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY: (OO:NY).

THIS DOCUMENTS CLASSIFIED ~~SECRET~~ IN ITS ENTIRETY.

RE: NYTELETYPE TO DIRECTOR, 3/26/86; MIAMI TELETYPE TO
 DIRECTOR, 3/31/86; AND NUMEROUS TELCALLS BETWEEN NEW YORK,
 BUREAU, MIAMI AND NEW HAVEN, 3/26/86 THROUGH 4/4/86.

1 - New York
 1 - Supervisor (C-1)

WMM:mmm
 (2)

~~2-2301~~
 CLASSIFIED BY [REDACTED]
 REASON: 1.5 (C-1)
 DECLASSIFY ON: X 1, 6
 01-081

~~ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED EXCEPT
 WHERE SHOWN OTHERWISE~~

b6
b7cApproved: JAM/Bm

Transmitted

(Number)

097

(Time)

007
085

Per

196-1774-416

b6
b7c

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE TWO IMMEDIATE

~~SECRET~~

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION OF CONTENTS OUTSIDE THE FBI WITHOUT PRIOR FBIHQ AUTHORITY.

REFERENCED NEW YORK TELETYPE PROVIDED DETAILS OF [REDACTED]

b7D
b7E

[REDACTED] ~~(S)~~ (U)

FOR INFORMATION OF RECEIVING OFFICES, THE FOLLOWING INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED]

SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE IMMEDIATE

PAST INFORMATION OBTAINED BY SOURCE [REDACTED] HAS BEEN
RELIABLE AND ACCURATE. [REDACTED] INFORMATION
FROM SOURCE IS CONSIDERED HIGHLY SINGULAR AND MUST BE
PROTECTED. ~~(S)~~ (U)

SOURCE ADVISED [REDACTED]

b6
b7C
b7D
b7F

IN SUMMARY, SOURCE LEARNED [REDACTED]

b6
b7C
b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

b6
b7C
b7D
b7F

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE FOUR IMMEDIATE

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE FIVE IMMEDIATE

b6
b7C
b7D
b7F

SOURCE ADVISED

b6
b7C
b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE SIX IMMEDIATE

IN REGARD TO [REDACTED]

SOURCE HAS NOT BEEN ABLE TO

DETERMINE IF [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] (S) (U)

DURING DISCUSSIONS WITH MIAMI, NEW YORK WAS ADVISED
OF THE POSSIBLE [REDACTED]
THE FOLLOWING IS A SUMMARY OF NEW YORK'S UNDERSTANDING
OF THESE ALTERNATIVES.

b7E

1) [REDACTED]

(S) (U)

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

FM ADIC, NEW YORK

TO DIRECTOR, FBI (IMMEDIATE)

(ATTN: SUPV. [REDACTED] FCU, DIV. 6)

SAC, MIAMI (IMMEDIATE)

(ATTN: ASAC [REDACTED])

b6
b7C

SAC, NEW HAVEN (IMMEDIATE)

(ATTN: SA [REDACTED] - INFORMATION)

BT

~~SECRET~~

FINAL SECTION OF TWO SECTIONS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW;

MF; RICO; INCOME TAX EVASION: TRADING WITH THE ENEMY; (OO:NY).

2) [REDACTED]

b7D
b7E

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE TWO OF TWO SECTIONS IMMEDIATE

[REDACTED]

[REDACTED] ~~(S)~~ (U)

3) [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

FOR INFORMATION OF BUREAU AND MIAMI, SOURCE EXPRESSED
GREAT CONCERN REGARDING [REDACTED]

[REDACTED]

[REDACTED] ~~(S)~~ (U)

[REDACTED]

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

b7D
b7E

b6
b7C
b7D
b7F
b7E

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE THREE OF TWO SECTIONS IMMEDIATE

BASED ON ABOVE SOURCE INFORMATION, NEW YORK SUBMITS
THE FOLLOWING [REDACTED] FOR CONSIDERATION OF BUREAU AND

MIAMI: ~~(S)~~(U)

b6
b7C
b7D
b7F
b7E

ASSUMING SOURCE IS NOT ABLE TO DEVELOP FURTHER
INFORMATION REGARDING [REDACTED]

[REDACTED]

~~(S)~~(U)

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE FOUR OF TWO SECTIONS IMMEDIATE

THIS [] TAKES INTO CONSIDERATION PROTECTION OF
THE SOURCE, THE ABILITIES OF MIAMI TO []

b6
b7C
b7D
b7F
b7E

[] FINALLY, CONSIDERATION MUST BE GIVEN TO []

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE FIVE OF TWO SECTIONS IMMEDIATE

b7D
b7F
b7E

~~(S)~~ (U)

DURING NEW YORK DISCUSSIONS WITH MIAMI, MIAMI
NOTED THAT ONE OF THE FEW PEOPLE MIAMI WAS NOT ABLE TO

b7D
b7E

~~(S)~~ (U)

NEW YORK WILL MAINTAIN CONTACT WITH SOURCE AND PROVIDE
ADDITIONAL DEVELOPMENTS BY TELEPHONE AND TELETYPE.

BUREAU, MIAMI AND NEW HAVEN ARE REQUESTED TO ASSESS
NEW YORK'S [] AND/OR PROVIDE ANY []
FOR CONSIDERATION.

b7E

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

- ☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

- ☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

- ☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE SIX OF TWO SECTIONS IMMEDIATE

ADMINISTRATIVE:

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] (U)

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE

AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE

IDENTITY OF SOURCE. [REDACTED]

SOURCE IS

b7D
b7F

[REDACTED] FBI INVESTIGATIONS AND SOURCE AND
FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY
IS DISCLOSED.

~~C BY G-3; DECL; OADR.~~

BT

#

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

~~SECRET~~

~~SECRET~~

~~SECRET~~

DISP ALL

OUTBOX.1 (#1571)

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-13-2017 BY: [REDACTED]

b6
b7C

~~SECRET~~

TO: HQ1 @ SAMNET-EMH, MM @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 097/004 IMMEDIATE

DATE: 7 APR 86 20:13:07 EST

CC:

TEXT: NYO 004 097 2013
OO HQ MM NH

DE NY 004

O 072013 APR 86

FM ADIC, NEW YORK

TO DIRECTOR, FBI (IMMEDIATE)

(ATTN: SUPV. [REDACTED] FCU, DIV. 6)

SAC, MIAMI (IMMEDIATE)

(ATTN: ASAC [REDACTED])

SAC, NEW HAVEN (PRIORITY)

(ATTN: SA [REDACTED] - INFORMATION)

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

2-23-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (1C)
DECLASSIFY ON: X1, 6
01-081

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW;
MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY: (OO:NY).

THIS DOCUMENTS CLASSIFIED ~~SECRET~~ IN ITS ENTIRETY.

RE: NYTELETYPE TO DIRECTOR, 3/26/86; MIAMI TELETYPE TO
DIRECTOR, 3/31/86; AND NUMEROUS TELCALLS BETWEEN NEW YORK,
BUREAU, MIAMI AND NEW HAVEN, 3/26/86 THROUGH 4/4/86.

~~SECRET~~

196-1774-416

gm

~~SECRET~~

PAGE TWO IMMEDIATE

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION OF CONTENTS OUTSIDE THE FBI WITHOUT PRIOR FBIHQ AUTHORITY.

REFERENCED NEW YORK TELETYPE PROVIDED DETAILS OF

[REDACTED]

[REDACTED]

b7D
b7E

[REDACTED] ~~(S)~~ (U)

FOR INFORMATION OF RECEIVING OFFICES, THE FOLLOWING

INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE

[REDACTED]

SOURCE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE IMMEDIATE

FAST INFORMATION OBTAINED BY SOURCE [REDACTED] HAS BEEN

RELIABLE AND ACCURATE. [REDACTED] INFORMATION

FROM SOURCE IS CONSIDERED HIGHLY SINGULAR AND MUST BE

PROTECTED. ~~(S)~~ (U)

b6
b7C
b7D
b7F

SOURCE ADVISED [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN SUMMARY, SOURCE LEARNED [REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FOUR IMMEDIATE

b6
b7C
b7D
b7F

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FIVE IMMEDIATE

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE SIX IMMEDIATE

IN REGARD TO [REDACTED]

SOURCE HAS NOT BEEN ABLE TO

DETERMINE IF [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

DURING DISCUSSIONS WITH MIAMI, NEW YORK WAS ADVISED
OF THE POSSIBLE [REDACTED]
THE FOLLOWING IS A SUMMARY OF NEW YORK'S UNDERSTANDING
OF THESE ALTERNATIVES.

b7E

1) [REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

NEW MAIL JUST ARRIVED: 11:18

OUTBOX.3.(#1577)

TO: HQ1 @ SAMNET-EMH, MM @ SAMNET-EMH, NY @ SAMNET-EMH

FROM: NY @ SAMNET-EMH

SUBJECT: 097/005 IMMEDIATE

DATE: 7 APR 86 21:05:51 EST

CC:

TEXT: NYO 005 097 2105
OO HQ MM NH

DE NY 005

O 072105 APR 86

FM ADIC, NEW YORK

TO DIRECTOR, FBI (IMMEDIATE)

(ATTN: SUPV. [REDACTED] FCU, DIV. 6)

SAC, MIAMI (IMMEDIATE)

(ATTN: ASAC [REDACTED])

b6
b7C

SAC, NEW HAVEN (IMMEDIATE)

(ATTN: SA [REDACTED] - INFORMATION)

BT

~~SECRET~~

FINAL SECTION OF TWO SECTIONS

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW;

MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO:NY).

2)

b7D
b7E

~~SECRET~~

~~SECRET~~

PAGE TWO OF TWO SECTIONS IMMEDIATE

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b7D
b7E

3)

[REDACTED]

[REDACTED] ~~(S)~~ (U)

FOR INFORMATION OF BUREAU AND MIAMI, SOURCE EXPRESSED

GREAT CONCERN REGARDING

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE OF TWO SECTIONS IMMEDIATE

BASED ON ABOVE SOURCE INFORMATION, NEW YORK SUBMITS
THE FOLLOWING [REDACTED] FOR CONSIDERATION OF BUREAU AND
MIAMI: ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

ASSUMING SOURCE IS NOT ABLE TO DEVELOP FURTHER
INFORMATION REGARDING [REDACTED]

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR OF TWO SECTIONS IMMEDIATE

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F
b7E

THIS [REDACTED] TAKES INTO CONSIDERATION PROTECTION OF
THE SOURCE, THE ABILITIES OF MIAMI TO [REDACTED]

[REDACTED]

[REDACTED] FINALLY, CONSIDERATION MUST BE GIVEN TO [REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FIVE OF TWO SECTIONS IMMEDIATE

b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

DURING NEW YORK DISCUSSIONS WITH MIAMI, MIAMI
NOTED THAT ONE OF THE FEW PEOPLE MIAMI WAS NOT ABLE TO

b7D
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

NEW YORK WILL MAINTAIN CONTACT WITH SOURCE AND PROVIDE
ADDITIONAL DEVELOPMENTS BY TELEPHONE AND TELETYPE. ~~(S)~~ (U)

BUREAU, MIAMI AND NEW HAVEN ARE REQUESTED TO ASSESS
NEW YORK'S [REDACTED] AND/OR PROVIDE ANY [REDACTED]
FOR CONSIDERATION.

b7E

~~SECRET~~

~~SECRET~~

PAGE SIX OF TWO SECTIONS IMMEDIATE

ADMINISTRATIVE:

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] (U)

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE

AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE

IDENTITY OF SOURCE. [REDACTED]

SOURCE IS

[REDACTED] FBI INVESTIGATIONS AND SOURCE AND

FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY

IS DISCLOSED.

b7D
b7F

~~C BY S-3; DECL; SADR.~~

BT

#

-----END OF DOCUMENT-----

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

FBI

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-17-2017 BY: [REDACTED]b6
b7C

TRANSMIT VIA:

☒ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☒ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☒ UNCLAS E F T O
☐ UNCLAS

Date 4/14/86

~~SECRET~~

FM ADIC, NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR (IMMEDIATE)

b6
b7C

ATTN: SUPV. [REDACTED] DIV. 6, FCU

SAC, MIAMI (IMMEDIATE)

ATTN: SUPV. [REDACTED]

SAC, New Haven (Priority)
ATTN: SA [REDACTED] - INFORMATIONb6
b7CCarol
Corrected
1934
V6

BT

UNCLAS EFTO

MARC RICH-FUGITIVE(B); PINCUS GREEN-FUGITIVE(B); ET AL; FBW;
 MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO:NY).

RE: NYTELETYPE TO BUREAU, 4/7/86; MIAMI TELETYPES TO
 BUREAU, 4/9/86; AND NUMEROUS TELCALLS BETWEEN NEW YORK, BUREAU,
 MIAMI AND NEW HAVEN, 4/7-14/86.

FOR INFORMATION OF RECEIVING OFFICES, THE FOLLOWING
 ADDITIONAL INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE

[REDACTED] SOURCE [REDACTED]
 [REDACTED]

IT IS NOTED SOURCE (S) (U)

b6
b7C
b7D
b7E

1 - NEW YORK
 1 - SUPERVISOR (C-1)
 WMM:mma
 (2)

2-23-01
 CLASSIFIED BY: [REDACTED]
 REASON: 1.5 (C)
 DECLASSIFY ON: X 1, 6
 01-061

ALL INFORMATION CONTAINED
 HEREIN IS UNCLASSIFIED EXCEPT
 WHERE SHOWN OTHERWISE

Approved: [Signature]

Transmitted

(Number)

(Time)

Per

196A-1774-417

b6
b7C~~SECRET~~

[REDACTED]

[Signature]

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE TWO IMMEDIATE

[REDACTED]

PAST INFORMATION OBTAINED BY SOURCE

HAS BEEN RELIABLE AND ACCURATE. [REDACTED]

INFORMATION FROM SOURCE SHOULD BE CONSIDERED HIGHLY SINGULAR
AND TREATED PROPERLY. ~~(S)~~ (U)

SOURCE LEARNED THE [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

SOURCE HAS NOT BEEN ABLE TO DETERMINE ANY DETAILS REGARDING

[REDACTED]

SOURCE DID LEARN THAT [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F

*Corrected
Yma*

b6
b7C
b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

PAGE THREE IMMEDIATE

SOURCE DID NOT KNOW IF _____

b6
b7C
b7D
b7F

IN REGARD TO _____

SOURCE LEARNED _____

b7D
b7F

SOURCE ADVISED _____

b6
b7C
b7D
b7F

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE FOUR IMMEDIATE

SOURCE'S [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] (S) (U)

IN VIEW OF ABOVE DEVELOPMENTS, NEW YORK BELIEVES IT WOULD
BE HIGHLY UNLIKELY THAT [REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED] IF SUCCESSFUL, [REDACTED]

IF

UNSUCCESSFUL, ANOTHER FBI SOURCE WILL BE IN A POSITION TO PROVIDE
INFORMATION CONCERNING [REDACTED]

b7D
b7F

[REDACTED] (S) (U)

ADMINISTRATIVE:

[REDACTED]

source mentioned above is [REDACTED] (S)

Orig corrected
HRLA

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

~~SECRET~~

FBI

TRANSMIT VIA:

☐ Teletype
☐ Facsimile
☐ _____

PRECEDENCE:

☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:

☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date _____

~~SECRET~~

PAGE FIVE IMMEDIATE

DURING PREVIOUS DISCUSSIONS WITH FBIHQ, NEW YORK WAS
INSTRUCTED THAT CONTACT WITH _____

BASED

ON THESE INSTRUCTIONS, _____

HOWEVER, IN VIEW OF SOURCE INFORMATION REGARDING _____

b7D
b7F
b7E

_____ ~~(S)~~ (U)
IN ADDITION, NEW YORK SUGGESTS FBIHQ AND MIAMI ATTEMPT
THROUGH LOGICAL SOURCES, TO VERIFY _____

_____ ~~(S)~~ (U)
_____ WOULD VERIFY INFORMATION FROM _____ SOURCE. ALSO,
INFORMATION DEVELOPED CONCERNING _____

b7D
b7F

BT

#

Approved: _____ Transmitted _____ (Number) _____ (Time) Per _____

~~SECRET~~

~~SECRET~~

~~SECRET~~

OUTBOX HAS 1 DOCUMENT

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-17-2017 BY: [REDACTED]

b6
b7C

OUTBOX.1 (#448)

TO: HQ1 @ SAMNET-EMH, MM @ SAMNET-EMH, NH @ SAMNET-EMH

FROM: NYTX @ SAMNET-EMH

SUBJECT: 104/008 IMMEDIATE

DATE: 14 APR 86 19:34:26 EST

CC:

TEXT: NYO 008 104

DE NY

OO HQ NH MM

O 141934 APR 86

~~SECRET~~

2-2361
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C) D
DECLASSIFY ON: X 1.6
01-081

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

FM ADIC, NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR (IMMEDIATE)

ATTN: SUPV. [REDACTED] DIV. 6, FCU

SAC, MIAMI (IMMEDIATE)

ATTN: SUPV. [REDACTED] b6
b7C

SAC, NEW HAVEN (PRIORITY)

ATTN: SA [REDACTED] INFORMATION

BT

UNCLAS EFTO

MARC RICH-FUGITIVE(B); PINCUS GREEN-FUGITIVE(B); ET AL; FBW;
MF; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO:NY).

RE: NYTELETYPE TO BUREAU, 4/7/86; MIAMI TELETYPES TO
BUREAU, 4/9/86; AND NUMEROUS TELCALLS BETWEEN NEW YORK, BUREAU,
MIAMI AND NEW HAVEN, 4/7-14/86.

FOR INFORMATION OF RECEIVING OFFICES, THE FOLLOWING
ADDITIONAL INFORMATION WAS OBTAINED BY A RELIABLE AND SENSITIVE

SOURCE [REDACTED]

b6
b7C
b7D
b7E

~~SECRET~~

196A-1774-417

ROP

~~SECRET~~

PAGE TWO IMMEDIATE

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] PAST INFORMATION OBTAINED BY SOURCE [REDACTED]

HAS BEEN RELIABLE AND ACCURATE. [REDACTED]

INFORMATION FROM SOURCE SHOULD BE CONSIDERED HIGHLY SINGULAR

AND TREATED PROPERLY. ~~(S)~~ (U)

SOURCE LEARNED THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

SOURCE HAS NOT BEEN ABLE TO DETERMINE ANY DETAILS REGARDING

[REDACTED] SOURCE DID LEARN THAT [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE THREE IMMEDIATE

SOURCE DID NOT KNOW IF

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO

SOURCE LEARNED

b7D
b7F

~~(S)~~ (U)

SOURCE ADVISED

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

PAGE FOUR IMMEDIATE

SOURCE'S [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN VIEW OF ABOVE DEVELOPMENTS, NEW YORK BELIEVES IT WOULD
BE HIGHLY UNLIKELY THAT [REDACTED]

b7D
b7F
b7E

[REDACTED] IF SUCCESSFUL, [REDACTED]

IF

UNSUCCESSFUL, ANOTHER FBI SOURCE WILL BE IN A POSITION TO PROVIDE
INFORMATION CONCERNING [REDACTED]

[REDACTED] ~~(S)~~ (U)

ADMINISTRATIVE:

[REDACTED] SOURCE MENTIONED ABOVE IS [REDACTED]

~~(S)~~ (U)

b7D
b7F

~~SECRET~~

~~SECRET~~

PAGE FIVE IMMEDIATE

DURING PREVIOUS DISCUSSIONS WITH FBIHQ, NEW YORK WAS
INSTRUCTED THAT CONTACT WITH [REDACTED]

[REDACTED] BASED

ON THESE INSTRUCTIONS, [REDACTED]

HOWEVER, IN VIEW OF SOURCE INFORMATION REGARDING [REDACTED]

b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

IN ADDITION, NEW YORK SUGGESTS FBIHQ AND MIAMI ATTEMPT
THROUGH LOGICAL SOURCES, TO VERIFY [REDACTED]

b7D
b7E

[REDACTED]
[REDACTED] WOULD VERIFY INFORMATION FROM [REDACTED] SOURCE. ALSO,
INFORMATION DEVELOPED CONCERNING [REDACTED]

[REDACTED] ~~(S)~~ (U)

BT

#

-----END OF DOCUMENT-----

-->

~~SECRET~~

196-1774-418

SEARCHED	INDEXED
SERIALIZED	FILED
APR 22 1986	
FBI - NEW YORK	

Al

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 01-11-2001 BY 60322~~

MED:hdb

NY 196A-1774

On March 20, 1986, [redacted] advised Special Agent [redacted]

b6
b7C
b7D

There was a [redacted]

b6
b7C
b7D

b6
b7C
b7D

b7D

The [redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [redacted]

b6
b7C

01-061

MED:hdb

NY 196A-1774

On March 28, 1986, source advised

b6
b7C
b7D

b7D

INBOX.13 (#1706)

TO: NY @ SAMNET-EMH

FROM: MM @ SAMNET-EMH

SUBJECT: 099/0001 IMMEDIATE

DATE: 9 APR 86 15:27:08 EST

CC:

TEXT:

MMO 0001 0991528

OO NY

DE MM

O 091443Z APR 86

FM MIAMI (196A-2743) (WCC-1)

TO NEW YORK (196A-1774) IMMEDIATE

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RE MIAMI TELCALL TO FBIHQ SUPERVISOR [REDACTED] APRIL 7, 1986.

MIAMI HAS HAD CONTACT WITH [REDACTED]

[REDACTED] (PROTECT IDENTITY), AND A DISCUSSION WAS HELD PERTAINING

TO THE [REDACTED]

ADVISED AS FOLLOWS:

DUE TO THE FACT THAT [REDACTED]

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-17-2017 BY: [REDACTED]

~~SECRET~~

3-14-01
CLASSIFIED BY: [REDACTED]

REASON: 1.5 (1C9)

DECLASSIFY ON: X 1-6
01-661

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

DECLASSIFIED BY [REDACTED]
ON 2-23-01
01-661

b6
b7C

b6
b7C
b7D
b7E

b7D
b7E

b6
b7C

176A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
APR 10 1986	
FBI - NEW YORK	

419

les [REDACTED] [REDACTED]

~~SECRET~~

PAGE TWO MM 196A-2743 S E ~~X~~ R E T

[REDACTED]

b7D
b7E

IF [REDACTED]

b7D
b7E

[REDACTED]

[REDACTED]

[REDACTED]

~~RECEIVED OFFICE OF DEFENSE ATTORNEY~~

ADMINISTRATIVE:

WHEN TOLD THE [REDACTED]

BELIVES IT CAN

b6
b7C
b7D
b7E

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7E

PAGE THREE MM 196A-2743 S E ~~SECRET~~

FBI MIAMI BELIEVES

b6
b7C
b7D
b7E

UACB, MIAMI WILL, UPON RECEIPT OF FROM NYO,

b7E

~~SECRET~~

~~SECRET~~

PAGE FOUR MM 196A-2743 S E ~~Y~~ R E T

b6
b7C
b7D
b7E

MIAMI BELIEVES THAT IT IS NOTEWORTHY THAT THROUGHOUT THE DIS-
CUSSION [REDACTED]

b6
b7C
b7D
b7E

[REDACTED]
[REDACTED] WERE ALREADY ANTICIPATED BY MIAMI. IN
CONCLUSION, MIAMI STANDS BY ITS ORIGINAL POSITION THAT IT POSSESSES
THE BEST POTENTIAL TO SUCCESSFULLY COMPLETE [REDACTED]
[REDACTED]

~~CLASSIFIED BY G-3, DECLASSIFY ON OADR~~

BT

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

~~SECRET~~

UNBDA 13 481706

TO: NY & SAMNET-EMH

FROM: MM & SAMNET-EMH

SUBJECT: 099/0001 IMMEDIATE

DATE: 9 APR 86 15:27:06 EST

CC:

TEXT:

MMO 0001 0991528

OO NY

DE MM

O 091443Z APR 86

FM MIAMI (196A-2743) (WCC-1)

TO NEW YORK (196A-1774) IMMEDIATE

BT

~~SECRET~~

MARC RICH - FUGITIVE; PINCUS GREEN - FUGITIVE; ET AL; FBW; MF; RICO;
INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS COMMUNICATION IS CLASSIFIED "SECRET" IN ITS ENTIRETY.

RE MIAMI TELCALL TO FBIHQ SUPERVISOR [REDACTED] APRIL 7, 1986.

MIAMI HAS HAD CONTACT WITH [REDACTED]

[REDACTED] (PROTECT IDENTITY), AND A DISCUSSION WAS HELD PERTAINING

ADVISED AS FOLLOWS:

DUE TO THE FACT THAT [REDACTED]

[REDACTED]

~~SECRET~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-17-2017 BY: [REDACTED]

~~SECRET~~

3-15-01
CLASSIFIED BY [REDACTED]
REASON: 1.5
DECLASSIFY ON: X 1, 6
01-051

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE~~

DECLASSIFIED BY [REDACTED]
ON 8-23-01
01-051

b6
b7C

b6
b7C

b6
b7C
b7D
b7E

b7D
b7E

196-1774-419

SEARCHED	INDEXED
SERIALIZED	FILED
APR 9 1986	
FBI - NEW YORK	

~~SECRET~~

PAGE TWO MM 196A-2743 S E ~~X~~ R E T

b7D
b7E

IF

b7D
b7E

b6
b7C
b7D
b7E

ADMINISTRATIVE:

WHEN TOLD THE [REDACTED], BELIVES IT CAN

~~SECRET~~

196-1774-1119

~~SECRET~~

b6
b7C
b7D
b7E

PAGE THREE MM 196A-2743 S E ~~X~~ R E T

FBI MIAMI BELIEVES

b6
b7C
b7D
b7E

UACB, MIAMI WILL, UPON RECEIPT OF

FROM NYO,

b7E

~~SECRET~~

PAGE FOUR MM 196A-2743 S E R E T

~~SECRET~~

b6
b7C
b7D
b7E

MIAMI BELIEVES THAT IT IS NOTWORTHY THAT THROUGHOUT THE DIS-
CUSSION [REDACTED]

[REDACTED]
[REDACTED] WERE ALREADY ANTICIPATED BY MIAMI. IN
CONCLUSION, MIAMI STANDS BY ITS ORIGINAL POSITION THAT IT POSSESSES
THE BEST POTENTIAL TO SUCCESSFULLY COMPLETE [REDACTED]
[REDACTED]

b6
b7C
b7D
b7E

~~CLASSIFIED BY G-3, DECLASSIFY ON OADR~~

BT

-----END OF DOCUMENT-----

~~SECRET~~

~~SECRET~~

~~SECRET~~

MMO 0017 0991735

OO HQ NY

DE MM

O 091735Z APR 86

FM MIAMI (196A-2743) (WCC 1) (P)

TO DIRECTOR IMMEDIATE

b6
b7C

(ATTN: SSA [REDACTED] WCC SECTION, DIV. 6)

ADIC, NEW YORK (196A 1774) IMMEDIATE

BT

DECLASSIFIED BY [REDACTED]
ON 2-23-01

~~SECRET~~

MARC RICH FUGITIVE; PINCUS GREEN FUGITIVE; ET AL; EPW; MF;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO: NEW YORK

THIS TELETYPE CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RE TELCALLS BETWEEN MIAMI SSA [REDACTED] AND FBIHQ SSA [REDACTED]

b6
b7C

APRIL 8, 1986; MIAMI TELETYPE TO FBIHQ, APRIL 8, 1986; NYO
TELETYPE TO FBIHQ, APRIL 7, 1986.

REFERENCED NYO TELETYPE OUTLINES THE MAJOR CONCERNS OF THE
NYO RELATING TO THE SECURITY OF THE [REDACTED] SOURCE SHOULD THE

b7D
b7F

[REDACTED]
MIAMI BELIEVES THOSE CONCERNS ARE WELL JUSTIFIED, PARTICULARLY IN
VIEW OF THE LIMITED ASSISTANCE "OFFICIALLY OFFERED" [REDACTED]

b6
b7C

196A-1774

SEARCHED	INDEXED
SERIALIZED	FILED
APR 9 1986	
FBI-NEW YORK	

420

PAGE TWO MM 1961-2743 S T ~~SECRET~~

[REDACTED] OUTLINED IN THE REFERENCED MIAMI TELETYPE. (IT SHOULD
BE NOTED THAT MIAMI HAS NOT, REPEAT NOT, DIVULGED THE [REDACTED]
[REDACTED] DURING THE DISCUSSION.)
AS NOTED IN THE SAME MIAMI TELETYPE, MIAMI AGENTS PLAN TO [REDACTED]

b6
b7C
b7D
b7F
b7E

HOWEVER, DURING THE INTERIM, MIAMI HAS DEVELOPED AN [REDACTED]
[REDACTED]

THE [REDACTED] SOURCE, BUT ALSO HIS EXPOSURE. [REDACTED]

b7D
b7F
b7E

THE MIAMI DIVISION IS FAMILIAR WITH A [REDACTED]

[REDACTED] BY THE NAME OF [REDACTED]
[REDACTED]

b6
b7C
b7D

[REDACTED] AT THIS TIME [REDACTED] IS NOT THE SUBJECT OF ANY KNOWN
U.S. INVESTIGATIONS, NOR ARE ANY ANTICIPATED.

PAGE THREE MM 196A-2743 S E ~~Y~~ P R E T

b6
b7C
b7D

PRELIMINARY DISCUSSIONS WITH [REDACTED] (ON A CONFIDENTIAL
BASIS) HAS DETERMINED HIS WILLINGNESS TO ASSIST THE FBI [REDACTED]

b6
b7C
b7D
b7E

MIAMI ENVISIONS TWO LIKELY POSSIBILITIES OF [REDACTED]

[REDACTED] (1) THE [REDACTED]

[REDACTED] AND/OR (?) THE [REDACTED]

b6
b7C
b7D
b7E

PAGE FOUR MM 196A 2743 S ~~E~~ R T

[REDACTED]

IN EITHER EVENT, IF THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

MIAMI BELIEVES THAT THE [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

PAGE FIVE MM 196A 2743 S F ~~SECRET~~

b7D
b7E

IN THE REFERENCED NY TELETYPE, NY MADE IT CLEAR THAT MIAMI SHOULD ATTEMPT [REDACTED] ONLY IF IT (MIAMI) COULD GUARANTEE THE ATTEMPT WOULD BE SUCCESSFUL. ANYTHING SHORT OF SUCCESS WOULD JEOPARDIZE THE SOURCE, AND PROBABLY ELIMINATE ANY FUTURE ATTEMPTS. OBVIOUSLY NEITHER MIAMI NOR ANY OTHER LAW ENFORCEMENT AGENCY CAN OFFER SUCH A GUARANTEE FOR THE REASONS WELL-KNOWN TO ALL. HOWEVER, THE USE OF [REDACTED] SHOULD REDUCE THE RISK TO AN ACCEPTABLE LEVEL. IF THE [REDACTED]

b7D
b7E
b7E

[REDACTED] AND THE SOURCE IS PROTECTED TO MAKE OTHER ARRANGEMENTS AT A LATER DATE. IT SHOULD BE NOTED THAT IT IS WIDELY KNOWN THAT THE [REDACTED]

[REDACTED] SO SUCH

PAGE SIX MM 196A-2743 S ~~E~~ R E T

[REDACTED] WOULD NOT BE OUT OF THE ORDINARY.

MIAMI WILL PROCEED WITH ITS [REDACTED] WITH [REDACTED]

[REDACTED] IN AN EFFORT TO MAKE A FINAL DETERMINATION OF
THE VIABILITY OF THE ORIGINAL [REDACTED] PREVIOUSLY SUBMITTED.

AT THE SAME TIME, THE BUREAU AND NEW YORK ARE REQUESTED TO ANALYZE
THE LATEST SCENARIO INVOLVING THE [REDACTED] AND PROVIDE
MIAMI WITH SUGGESTIONS AND RECOMMENDATIONS PERTAINING THERETO.

~~SECRET; CLASSIFIED BY 4-3; DECLASSIFY ON OADR.~~

BT

b6
b7C
b7D
b7E

917352 APR 83

MIAMI (196A-2741) (WCC 1) (P)

TO DIRECTOR IMMEDIATE

ATTN: SSA [REDACTED] WFO SECTION, DIV. 6

b6
b7C

FROM NEW YORK (105-1174) IMMEDIATE

BT
~~SECRET~~

MARC RICH POSITIVE; PINCH TRIP; DESIGNATED AT; FBI; MR;
FRICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; CO.; NEW YORK

THIS TELETYPE CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

b6
b7C

RE TELCALLS BETWEEN MIAMI SSA [REDACTED] AND FRICO SSA [REDACTED]

APRIL 8, 1986; MIAMI TELETYPE TO FBIHQ, APRIL 8, 1986; WFO
TELETYPE TO FBIHQ, APRIL 7, 1986.

REFERENCED WFO TELETYPE OUTLINES THE MAJOR CONCERNS OF THE
WFO RELATING TO THE SECURITY OF THE [REDACTED] SOURCE SHOULD THE

b6
b7D
b7E

MIAMI BELIEVES THOSE CONCERNS ARE WELL FOUNDED, PARTICULARLY IN
VIEW OF THE LIMITED ASSISTANCE OFFICER OFFERED [REDACTED]

DECLASSIFIED BY
ON 02-01

01-051

b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
APR 9 1986	
FBI - NEW YORK	

420

[REDACTED] OUTLINED IN THE REFERENCED MIAMI TELETYPE. (IT SHOULD

BE NOTED THAT MIAMI HAS NOT, REPEAT NOT, DISCLOSED THE [REDACTED]

[REDACTED] DURING THE DISCUSSION.)

AS NOTED IN THE SAME MIAMI TELETYPE, MIAMI AGENTS PLAN TO [REDACTED]

b6
b7C
b7D
b7F
b7E

HOWEVER, DURING THE INTERIM, MIAMI HAS DEVELOPED AN [REDACTED]

THE [REDACTED] SOURCE, BUT ALSO HIS EXPOSURE. [REDACTED]

b7D
b7E
b7E

THE MIAMI DIVISION IS FAMILIAR WITH [REDACTED]

[REDACTED] BY THE NAME OF [REDACTED]

b6
b7C
b7D

[REDACTED] AT THIS TIME [REDACTED] IS NOT THE SUBJECT OF ANY KNOWN

U.S. INVESTIGATIONS, NOR ARE ANY ANTICIPATED.

b6
b7C
b7D

PRELIMINARY DISCUSSIONS WITH [REDACTED] (ON A CONFIDENTIAL
BASIS) HAS DETERMINED HIS WILLINGNESS TO ASSIST THE FBI [REDACTED]

b6
b7C
b7D
b7E

MIAMI ENVISIONS TWO LIKELY POSSIBILITIES OF [REDACTED]

b6
b7C
b7D
b7E

(1) THE [REDACTED]

AND/OR (2) THE [REDACTED]

X

IN EITHER EVENT, IF THE

b6
b7C
b7D
b7E

MIAMI BELIEVES THAT THE

b6
b7C
b7D
b7F
b7E

[REDACTED]

b7D
b7E

IN THE REFERENCED TELETYPE, WE MADE IT CLEAR THAT MIAMI SHOULD ATTEMPT THE [REDACTED] ONLY IF (MIAMI) COULD GUARANTEE THE ATTEMPT WOULD BE SUCCESSFUL. ANYTHING SHORT OF SUCCESS WOULD JEOPARDIZE THE SOURCE, AND PROBABLY ELIMINATE ANY FUTURE ATTEMPTS. OBVIOUSLY NEITHER MIAMI NOR ANY OTHER LAW ENFORCEMENT AGENCY CAN OFFER SUCH A GUARANTEE FOR THE REASONS WELL-KNOWN TO ALL. HOWEVER, THE USE OF [REDACTED] SHOULD REDUCE THE RISK TO AN ACCEPTABLE LEVEL. IF THE [REDACTED]

b7D
b7F
b7E

[REDACTED]

[REDACTED]

AND THE

SOURCE IS PROTECTED TO MAKE OTHER ARRANGEMENTS AT A LATER DATE.

IT SHOULD BE NOTED THAT IT IS WIDELY KNOWN THAT THE [REDACTED]

[REDACTED]

NO SUCH

PAGE SIX MM 196A-274 S E C R E T

[REDACTED] WOULD NOT BE OUT OF THE PRIMARY.

MIAMI WILL PROCEED WITH THE [REDACTED]

[REDACTED] IN AN EFFORT TO MAKE A FINAL DETERMINATION OF THE VIABILITY OF THE ORIGINAL [REDACTED] PREVIOUSLY SUBMITTED.

AT THE SAME TIME, THE BUREAU AND WASH DC HAVE REQUESTED TO ANALYZE THE LATEST SCENARIO INVOLVING THE [REDACTED] AND PROVIDE MIAMI WITH SUGGESTIONS AND RECOMMENDATIONS PERTAINING THERE TO.

~~SECRET: CLASSIFIED BY [REDACTED] DECLASSIFY ON DATE [REDACTED]~~

BT

b6
b7C
b7D
b7E

b6
b7C

FD-36 (Rev. 5-22-78)

~~SECRET~~

FBI

TELETYPE

PRIORITY

~~SECRET~~

4/25/86

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE

b6
b7C

2-23-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1-6
01-081

*Correction
made
jhu*

Correction

pg 1, 2, 8

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()

ATTN: SSA [redacted]
MIAMI ()

ATTN: SUPV. [redacted]

NEW HAVEN ()
ATTN: SPECIAL AGENT [redacted]

DIVISION VI, FCU

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE (B); PINCUS GREEN-FUGITIVE (B); ET AL; FBW; MAIL
FRAUD; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO: NEW
YORK).

RENYTELS TO DIRECTOR, DATED MARCH 26, 1986, APRIL 7, 1986 AND
APRIL 14, 1986, AND NUMEROUS TELCALLS BETWEEN NEW YORK (NY), BUREAU,

- 1 - New York
- 1 - Supervisor C-2

WMM:jk037V3

(2) *lu*

b6
b7C

196A-1774-421

SEARCHED	INDEXED
SERIALIZED	FILED
APR 28 1986	
[redacted]	

115

Approved: *[signature]* Transmitted

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: *Om*

~~SECRET~~

MIAMI AND NEW HAVEN, APRIL 11-24, 1986.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES
CONCERNING DEVELOPMENTS REGARDING [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] (~~S~~)(U)
IN AN APRIL 16, 1986 TELCAL TO NY, BUREAU REQUESTED NY CONTACT
AUSA [REDACTED] SDNY, REGARDING PROSECUTION OF SUBJECTS.
BUREAU AUTHORIZED NY TO PROVIDE AUSA [REDACTED] WITH A BRIEF OVERVIEW
OF DEVELOPMENTS TO DATE, CONCERNING [REDACTED] BUREAU
REQUESTED AUSA [REDACTED] ADDRESS ANY FORESEEABLE LEGAL ISSUES WHICH

[REDACTED]
[REDACTED] (~~S~~)(U)

AUSA [REDACTED] ADVISED HE SAW NO SERIOUS LEGAL ISSUES WHICH
MIGHT ARISE FROM [REDACTED]

b6
b7C
b7D
b7E

[REDACTED]
[REDACTED] AUSA [REDACTED] NOTED A SIMILAR RECENT CASE WHERE A
SUBJECT HAD [REDACTED] (~~S~~)(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7E

[REDACTED]

b6
b7C

AUSA [REDACTED] EXPRESSED THE OPINION THAT SUBJECTS WILL RECEIVE A LENGTHY JAIL SENTENCE AND SUBSTANTIAL FINE UPON THEIR CONVICTION IN NY'S CASE.

b6
b7C
b7E

BESIDES HAVING AN OVERWHELMING CASE AGAINST SUBJECTS, AUSA [REDACTED] SAID SUBJECTS LENGTHY FUGITIVE STATUS WILL HAVE EXTENSIVE WEIGHT ON ANY JUDGE'S DECISION CONCERNING SENTENCING. AUSA [REDACTED] STRONGLY URGED THE FBI TO [REDACTED]

AUSA [REDACTED] WAS ADVISED OF THE POSSIBILITY THAT [REDACTED] MAY ~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7E

[REDACTED]

b6
b7C
b7D
b7F

INFORMATION CONCERNING [REDACTED] IS CONTINUING TO BE
DEVELOPED BY A SENSITIVE AND RELIABLE [REDACTED] SOURCE [REDACTED]

(U)

[REDACTED]

b6
b7C
b7D
b7F

SOURCE LEARNED FROM [REDACTED]

[REDACTED]

(U)

[REDACTED]

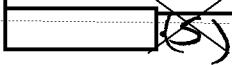
~~SECRET~~

~~SECRET~~

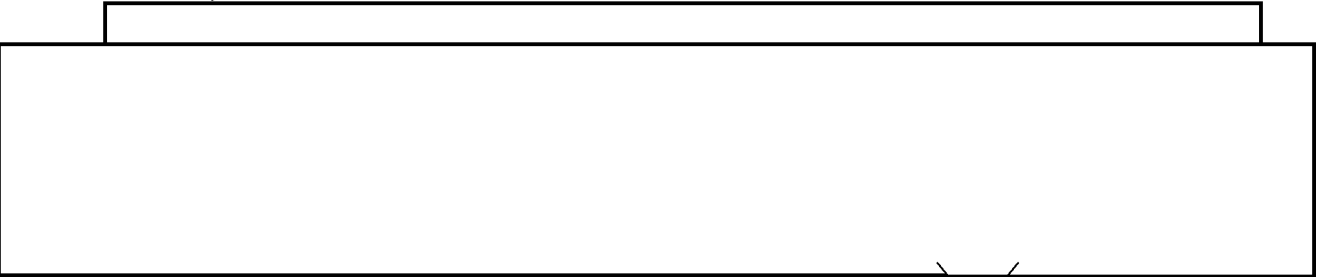
b6
b7C
b7D
b7F



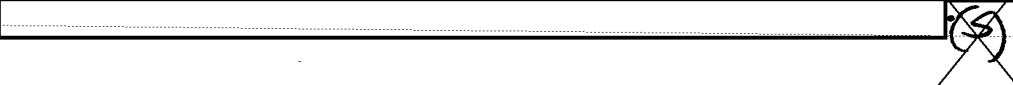
(U)



b6
b7C
b7D
b7F



(U)



~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING SUBSEQUENT
SOURCE LEARNED

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7E
b7F

IN REGARD TO [REDACTED] NY NOTES
THAT DETAILS OF [REDACTED] WERE INITIALLY PROVIDED TO
THE [REDACTED] NYC, ON MARCH 24, 1986, AND SUBSEQUENTLY
TO FBIHQ, MIAMI, NEW HAVEN AND LIMITED INFORMATION TO AUSA [REDACTED]
[REDACTED] SDNY. • PURSUANT TO BUREAU INSTRUCTIONS, [REDACTED]

[REDACTED]

b7D
b7F

DURING MORNING OF APRIL 11, 1986, [REDACTED] SOURCE DEVELOPED ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

INFORMATION IDENTIFYING [REDACTED]

[REDACTED] THIS INFORMATION WAS TELEPHONICALLY PROVIDED TO MIAMI SUPV. AND CASE AGENT. WITHIN TWENTY MINUTES AFTER THIS MIAMI CONTACT, [REDACTED] SOURCE DEVELOPED DETAILED INFORMATION REGARDING [REDACTED]

b7D

b7F

b7E

[REDACTED] HOWEVER, EFFORTS TO PROVIDE THIS INFORMATION TO MAIMI FAILED BECAUSE OF THE MAIMI SHOOTING INCIDENT IN WHICH TWO AGENTS WERE KILLED AND FIVE AGENTS WOUNDED. BOTH MIAMI SUPV. AND CASE AGENT [REDACTED] THE SHOOTING INCIDENT UNTIL APRIL 16, 1986, AND HAD NO OPPORTUNITY TO INITIATE ANY INQUIRIES IN [REDACTED]

~~(S)~~ (U)

SINCE NO FBI INQUIRIES WERE MADE [REDACTED] IT APPEARS EITHER [REDACTED]

b7E

[REDACTED] NY RECOMMENDS THAT MIAMI CONDUCT DISCREET INQUIRIES AFTER MAY 5, 1986, [REDACTED]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7E
b3

NY REQUESTS FBIHQ CONTACT [] AFTER MAY 5, 1986, REGARDING
[] NY SUGGESTS FBIHQ CONSIDER CONTACTING
[]

~~(S)~~ (U)

BUREAU AND RECEIVING OFFICES WILL BE KEPT ADVISED OF
DEVELOPMENTS BY TELEPHONE AND TELETYPE.

ADMINISTRATIVE

b7D
b7F
b7E

[] SOURCE PROVIDING ABOVE INFORMATION IS [] ~~(S)~~ (U)
INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND
DISCLOSURE COULD REVEAL SOURCE'S IDENTITY. SOURCE IS A HIGH LEVEL
INFORMANT [] WHOSE
IDENTITY, IF REVEALED, WILL POSSIBLY LEAD TO PHYSICAL DANGER TO
SOURCE AND FAMILY.

b6
b7C
b7D
b7F
b7E

WARNING: []
[]
[] ~~(S)~~ (U)

~~SECRET~~

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:
INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY OTHER
AGENCY WITHOUT PRIOR BUREAU APPROVAL.

~~C BY G-3, DECL: OADB~~

~~SECRET~~

~~SECRET~~

OUTBOX.2 (#2689)

TO: HQ1 @ SAMNET-EMH, [REDACTED] @ SAMNET-EMH, NH @ SAMNE [REDACTED]

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 03-28-2017 BY [REDACTED] ADG

FROM: NY @ SAMNET-EMH

~~SECRET~~

SUBJECT: 115/164 PRIORITY

b6
b7C

DATE: 28 APR 86 01:26:25 EDT

CC:

TEXT: VZCZCNY0164

PP HQ MM NH

DE NY #0164 1160156

ZNY \$\$\$\$\$

R 252419Z APR 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SSA [REDACTED] DIVISION VI, FCU

FBI MIAMI PRIORITY

ATTN: SUPV. [REDACTED]

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

BT

2-23-01
~~CLASSIFIED BY [REDACTED]
REASON: 1.5
DECLASSIFY ON: X 1/6~~

01-081

~~SECRET~~ SECTION 1 OF 2

MARC RICH-FUGITIVE (B); PINCUS GREEN-FUGITIVE (B); ET AL; FBW; MAIL
FRAUD; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO: NEW
YORK).

RENYTELS TO DIRECTOR, DATED MARCH 26, 1986, APRIL 7, 1986 AND
APRIL 14, 1986, AND NUMEROUS TELCALS BETWEEN NEW YORK (NY), BUREAU,

SEARCHED	INDEXED
SERIALIZED	FILED
APR 28 1986	
FBI - NEW YORK	
[REDACTED] <i>Em</i>	

~~SECRET~~

196-1774-421

MIAMI AND NEW HAVEN, APRIL 11-24, 1986.

~~SECRET~~THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

PURPOSE OF THIS TELETYPE IS TO UPDATE RECEIVING OFFICES
CONCERNING DEVELOPMENTS REGARDING [REDACTED]

[REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7E

IN AN APRIL 16, 1986 TELCAL TO NY, BUREAU REQUESTED NY CONTACT
AUSA [REDACTED] SDNY, REGARDING PROSECUTION OF SUBJECTS.

BUREAU AUTHORIZED NY TO PROVIDE AUSA [REDACTED] WITH A BRIEF OVERVIEW
OF DEVELOPMENTS TO DATE, CONCERNING [REDACTED] BUREAU
REQUESTED AUSA [REDACTED] ADDRESS ANY FORESEEABLE LEGAL ISSUES WHICH

[REDACTED] (~~S~~) (U)

AUSA [REDACTED] ADVISED HE SAW NO SERIOUS LEGAL ISSUES WHICH
MIGHT ARISE FROM [REDACTED]

b6
b7C
b7D
b7E

[REDACTED] AUSA [REDACTED] NOTED A SIMILAR RECENT CASE WHERE A

(~~S~~) (U)

~~SECRET~~

SUBJECT HAD [REDACTED]

[REDACTED]

b6
b7C
b7D
b7E

(S) (U)

AUSA [REDACTED] EXPRESSED THE OPINION THAT SUBJECTS WILL RECEIVE A LENGTHY JAIL SENTENCE AND SUBSTANTIAL FINE UPON THEIR CONVICTION IN NY'S CASE.

b6
b7C

BESIDES HAVING AN OVERWHELMING CASE AGAINST SUBJECTS, AUSA [REDACTED] SAID SUBJECTS LENGTHY FUGITIVE STATUS WILL HAVE EXTENSIVE WEIGHT ON ANY JUDGE'S DECISION CONCERNING SENTENCING. AUSA [REDACTED] STRONGLY URGED THE FBI TO [REDACTED]

[REDACTED]

b6
b7C
b7E

~~SECRET~~

AUSA

~~SECRET~~
[REDACTED] WAS ADVISED OF THE POSSIBILITY THAT [REDACTED]

MAY

b6
b7C
b7D
b7E

[REDACTED] (S) (U)

INFORMATION CONCERNING [REDACTED]

IS CONTINUING TO BE

DEVELOPED BY A SENSITIVE AND RELIABLE [REDACTED]

SOURCE [REDACTED]

b6
b7C
b7D
b7F

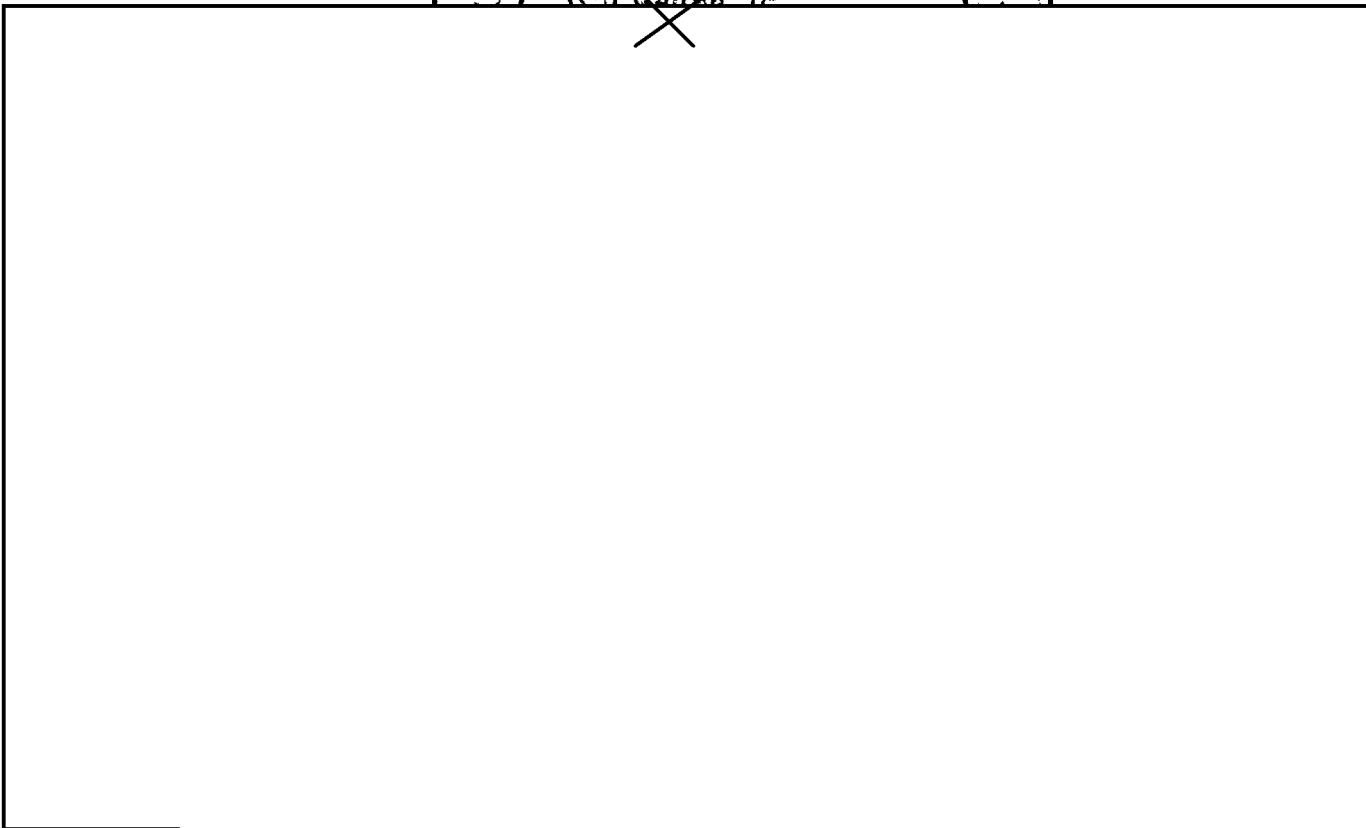
[REDACTED] (S) (U)

SOURCE LEARNED FROM [REDACTED]

(S) (U)

b6
b7C
b7D
b7F

~~SECRET~~



b6
b7C
b7D
b7F

~~(S)~~(U)



b6
b7C
b7D
b7F

~~(S)~~(U)

~~SECRET~~

b6
b7C
b7D
b7F

FOLLOWING SUBSEQUENT

SOURCE LEARNED

b6
b7C
b7D
b7F

IN REGARD TO

NY NOTES

THAT DETAILS OF

WERE INITIALLY PROVIDED TO

THE

NYC, ON MARCH 24, 1986, AND SUBSEQUENTLY

TO FBIHQ, MIAMI, NEW HAVEN AND LIMITED INFORMATION TO AUSA

b6
b7C
b7D
b7F
b7E

SDNY. PURSUANT TO BUREAU INSTRUCTIONS,

BT

#0164

SECRET

OUTBOX.3 (#2690)

TO: HQ1 @ SAMNET-EMH, SAMNET-EMH, NH @ SAMNE

FROM: NY @ SAMNET-EMH

~~SECRET~~

SUBJECT: 115/165 PRIORITY

DATE: 28 APR 86 01:40:51 EDT

CC:

TEXT:

VZCZCNY0165

PP HQ MM NH

DE NY #0165 1160156

ZNY SSSSS

R 252419Z APR 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI MIAMI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 2

b7E

DURING MORNING OF APRIL 11, 1986, [] SOURCE DEVELOPED

INFORMATION IDENTIFYING []

b7D
b7E

[] THIS INFORMATION WAS TELEPHONICALLY PROVIDED TO MIAMI
SUPV. AND CASE AGENT. WITHIN TWENTY MINUTES AFTER THIS MIAMI
CONTACT, [] SOURCE DEVELOPED DETAILED INFORMATION REGARDING ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~
[REDACTED]
[REDACTED] HOWEVER, EFFORTS TO PROVIDE THIS INFORMATION TO MIAMI
FAILED BECAUSE OF THE MIAMI SHOOTING INCIDENT IN WHICH TWO AGENTS
WERE KILLED AND FIVE AGENTS WOUNDED. BOTH MIAMI SUPV. AND CASE
AGENT [REDACTED] THE SHOOTING INCIDENT UNTIL
APRIL 16, 1986, AND HAD NO OPPORTUNITY TO INITIATE ANY INQUIRIES IN
[REDACTED]

b7D
b7F
b7E

SINCE NO FBI INQUIRIES WERE MADE [REDACTED] IT APPEARS

EITHER [REDACTED]
[REDACTED]
[REDACTED] ~~(S)~~ (U)

b7E

NY RECOMMENDS THAT MIAMI CONDUCT DISCREET INQUIRIES AFTER MAY
5, 1986, [REDACTED]
[REDACTED] ~~(S)~~ (U)

NY REQUESTS FBIHQ CONTACT [REDACTED] AFTER MAY 5, 1986, REGARDING

b7E
b3

[REDACTED] NY SUGGESTS FBIHQ CONSIDER CONTACTING
[REDACTED] ~~(S)~~ (U)

~~SECRET~~

b7E

[REDACTED] (S) (U)

BUREAU AND RECEIVING OFFICES WILL BE KEPT ADVISED OF DEVELOPMENTS BY TELEPHONE AND TELETYPE.

ADMINISTRATIVE

[REDACTED] SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] (S) (U)

INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND DISCLOSURE COULD REVEAL SOURCE'S IDENTITY. SOURCE IS A HIGH LEVEL INFORMANT [REDACTED] WHOSE IDENTITY, IF REVEALED, WILL POSSIBLY LEAD TO PHYSICAL DANGER TO SOURCE AND FAMILY.

b7D
b7F
b7E

WARNING: [REDACTED]

[REDACTED]

[REDACTED] (S) (U)

b6
b7C
b7D
b7F
b7E

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:

~~SECRET~~

PAGE FOUR DE NY 0165 ~~SECRET~~ SECTION 2 OF 2

INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY OTHER
AGENCY WITHOUT PRIOR BUREAU APPROVAL.

~~EX G-3. DECL. DADR.~~

BT

#0165

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

~~SECRET~~

MED:agp

NY 196A-1774 (RICH)

On April 4, 1986, [redacted] advised Special Agent (SA) [redacted] as follows:

b6
b7C
b7D

The approach to [redacted] was made indirectly by [redacted]

b6
b7C
b7D

b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [redacted]

b6
b7C

01-081

196-1774-428

SEARCHED
SERIALIZED
INDEXED
FILED
MAY 1 1986
FBI-NEW YORK

[Signature]

FD-36 (Rev. 5-22-78)

~~SECRET~~
FBI

10.45

TELETYPE

PRIORITY

~~SECRET~~

4/25/86

PRIORITY

NEW YORK (196A-1774) (P) (C-1)

PRIORITY

DIRECTOR FBI ()

ATTN: SSA [REDACTED] DIVISION VI, FCU

b6
b7C

MIAMI ()

ATTN: SUPV. [REDACTED]

NEW HAVEN ()

ATTN: SPECIAL AGENT [REDACTED]

BT

~~SECRET~~

MARC RICH-FUGITIVE (B); PINCUS GREEN-FUGITIVE (B); ET AL; FBW; MAIL FRAUD; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO: NEW YORK).

RENYTELS TO DIRECTOR, DATED MARCH 26, 1986, APRIL 7, 1986 AND APRIL 14, 1986, AND NUMEROUS TELCALLS BETWEEN NEW YORK (NY), BUREAU,

2-23-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1-6
01-081

b6
b7C

- ① - New York
1 - Supervisor C-2

WMM:jk037V3
(2)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

SEARCHED	INDEXED
SERIALIZED	FILED
APR 28 1986	
FBI - NEW YORK	

Approved: [Signature] Transmitted _____ Per _____

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: _____

~~SECRET~~

NY 196A-1774
MED:hdb

On April 29, 1986, [redacted] advised Special Agent
[redacted] of the following:

b6
b7C
b7D

[redacted]

b6
b7C
b7D

[redacted]

b6
b7C
b7D

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [redacted]
01-851

b6
b7C

196-1774-423

SEARCHED	INDEXED
SERIALIZED	FILED
SEP 11 1986	
FBI - NEW YORK	

[Handwritten signature]

b6
b7C

AIRTEL

~~SECRET~~

6/3/86

b6
b7C

TO: DIRECTOR, FBI
(ATTENTION: SUPERVISOR [REDACTED] FCU DIVISION SIX)

FROM: SAC, MIAMI (196A-2743) (RUC)

MIARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
FBW;
MF;
RICO;
INCOME TAX EVASION;
TRADING WITH THE ENEMY
(OO: NEW YORK)

Re New York teletype to the Director, dated 4/25/86.

b7D
b7F

It was determined through [REDACTED]

[REDACTED] In view of the fact no
confidential source exists at the [REDACTED]
[REDACTED] no inquiry being made concerning [REDACTED]

(S) (U)

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
EXCEPT WHERE SHOWN OTHERWISE~~

3-14-01
CLASSIFIED BY [REDACTED]
15 (C, D)
DECLASSIFY ON: X 1, 6
01-061

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED] 01-061

2 - Bureau
2 - New York
1 - Miami
GMF:kdc
(5)

~~SECRET~~

1*

196-1774-424

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 20 1986	
FBI NEW YORK	

AIRTEL

~~SECRET~~

6/3/86

TO: DIRECTOR, FBI
(ATTENTION: SUPERVISOR [REDACTED] FCU DIVISION SIX)

FROM: SAC, MIAMI (196A-2743) (RUC)

MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
FBW;
MF;
RICO;
INCOME TAX EVASION;
TRADING WITH THE ENEMY
(OO: NEW YORK)

b6
b7C

3-1501
CLASSIFIED BY [REDACTED]
REASON: [REDACTED]
DECLASSIFY ON: X 1/6
01-081

Re New York teletype to the Director, dated 4/25/86.

It was determined through [REDACTED]

b7D
b7F

[REDACTED] In view of the fact no
confidential source exists at the [REDACTED]
[REDACTED] no inquiry being made concerning [REDACTED]
[REDACTED] (U)

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [REDACTED]

b6
b7C

01-081

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

2 - Bureau
2 - New York
1 - Miami
GMF:kdc
(5)

b6
b7C

1*

~~SECRET~~

JUN 20 1986

196-1774
SEARCHED INDEXED
SERIALIZED FILED

JUN 20 1986

FBI NEW YORK

~~SECRET~~
FBI

10.38

b6
b7C

TELETYPE

PRIORITY

~~SECRET~~

6/17/86

*OK to go
additions made
zh.*

2-23-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C-1)
DECLASSIFY ON: X 1.6
01-081

b6
b7C

0046, 0049,
0056

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI ()

~~TO LEGAT BONN~~ ATTN: SUPV. [redacted] FCU, DIV. 6
ATTN: LEGAT BONN, ASST. LEGAT [redacted]

b6
b7C

MIAMI ()

ATTN: SUPV. [redacted]
NEW HAVEN ()

ATTN: SPECIAL AGENT [redacted]

BT

~~SECRET~~

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

MARC RICH-FUGITIVE (B); PINCUS GREEN - FUGITIVE (B); ET AL; FBW;
MAIL FRAUD; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO:
NEW YORK).

RENYTEL TO DIRECTOR, JULY 2, 1985 AND APRIL 24, 1986,

- ① - New York
1 - Supervisor C-1

WMM:jk056V3
(2)

Handwritten:
JUL 24
1986
153, 4, 6
14

196A-1774-425

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 18 1986	

b6
b7C
b7D

Approved: JAH/BM Transmitted

Per

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: taf

~~SECRET~~

~~SECRET~~

AND NUMEROUS TELCALs BETWEEN NEW YORK (NY), BUREAU, LEGAT BONN, MIAMI AND NEW HAVEN, APRIL 24, 1986 THROUGH JUNE 16, 1986.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION OF CONTENTS OUTSIDE THE FBI WITHOUT PRIOR FBIHQ AUTHORITY.

FOR INFORMATION OF LEGAT. BONN. REFERENCED NY TELETYPE PROVIDED DETAILS OF PLANNED [REDACTED]

[REDACTED] THE FOLLOWING INFORMATION REGARDING [REDACTED] SUBSEQUENT DEVELOPMENTS WAS OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED] IT IS NOTED SOURCE IS [REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

INFORMATION FROM SOURCE IS CONSIDERED HIGHLY SINGULAR AND MUST BE PROTECTED. ~~(S)~~ (U)

SOURCE LEARNED FROM

[Redacted]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

SOURCE NOTED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]
[REDACTED] ~~(S)~~ (U)

DURING MORNING OF MAY 6, 1986, NY AGENTS OBSERVED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] AND LEARNED THE FOLLOWING INFORMATION: ~~(S)~~ (U) SOURCE [REDACTED]

SOURCE LEARNED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

b6
b7C
b7D
b7F

FOLLOWING THIS DISCUSSION, [REDACTED]

~~SECRET~~

~~SECRET~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN A SEPARATE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

[REDACTED] (U) ~~(S)~~

SOURCE LEARNED [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

IN REFERENCED NY TELETYPE, DATED JULY 2, 1985, NY REPORTED
INFORMATION FROM SOURCE REGARDING [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U) ~~(S)~~

~~SECRET~~

~~SECRET~~

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

ON MAY 30, 1986, SOURCE LEARNED THAT [REDACTED]

[REDACTED] ~~(S)~~ (U)

SOURCE WAS [REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

1)

[REDACTED] ~~(S)~~ (U)

2)

[REDACTED]

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

3)

[Redacted]

~~(S)~~ (U)

b6
b7C
b7D
b7F

ON JUNE 16, 1986, SOURCE ADVISED

[Redacted]

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] (S) (U)

IN REGARD TO THE APRIL, 1986, EFFORT TO [REDACTED]

[REDACTED]

[REDACTED] HOWEVER, BUREAU AND RECEIVING OFFICES
SHOULD BE AWARE OF AN [REDACTED]

[REDACTED]

b6
b7C
b7E

NY MUST ASSUME SUBJECTS ARE AWARE OF [REDACTED] SINCE

~~SECRET~~

b7E

[REDACTED]

LEADS *Bureau is requested to forward contents of this Teletype to Legat, Bonn.*
NEW YORK DIVISION WILL MAINTAIN CONTACT WITH SOURCE AND
PROVIDE ADDITIONAL DEVELOPMENTS TO BUREAU AND RECEIVING OFFICES BY
TELEPHONE AND TELETYPE.

all added
BUREAU IS REQUESTED TO MAKE OFFICIAL INQUIRIES WITH [REDACTED]

[REDACTED] (S) (U)

b7E
b3

BUREAU SHOULD ALSO CONSIDER CONTACTING [REDACTED]

[REDACTED] (S) (U)

LEGAT, BONN, IS REQUESTED TO VERIFY VALIDITY OF [REDACTED] (S) (U)

[REDACTED]

~~[REDACTED]~~

~~SECRET~~

[REDACTED]

~~(S)~~ (U)

b3
b7E

MIAMI IS REQUESTED TO [REDACTED]

[REDACTED] ~~(S)~~ (U)

INFORMATION COPY PROVIDED TO NEW HAVEN FOR SA [REDACTED]

b6
b7C

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] ~~(S)~~ (U) INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. [REDACTED]

b7D
b7F

[REDACTED] SOURCE IS [REDACTED] FBI INVESTIGATIONS AND SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS DISCLOSED.

~~C BY G-3; DECL: OADR.~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

*added
jhl. 6/17/86*

~~SECRET~~

Last Pg After 1st Admin PARA.

WARNING: [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

~~(S)~~ (U)

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:
INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY OTHER
AGENCY WITHOUT PRIOR BUREAU APPROVAL.

C BY G-3, DECL: OADR.

DECLASSIFIED BY [REDACTED]
ON 2-23-01

b6
b7C

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

OUTBOX.6 (#861)

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 03-22-2017 BY [REDACTED] ADG

b6
b7C

TO: HQ1 @ EMH1, MM @ EMH2, NH @ EMH1

FROM: NY @ EMH1

SUBJECT: 168/134 PRIORITY

DATE: 18 JUN 86 00:46:02 GMT

CC:

TEXT: VZCZCNY0134

PP HQ MM NH

DE NY #0134 1682154

ZNY SSSSS

R 172047Z JUN 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SUPV. [REDACTED] FCU, DIV. 6

ATTN: LEGAT, BONN, ASST. LEGAT [REDACTED]

FBI MIAMI PRIORITY

ATTN: SUPV. [REDACTED]

b6
b7C

FBI NEW HAVEN PRIORITY

ATTN: SPECIAL AGENT [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 3

MARC RICH-FUGITIVE (B); PINCUS GREEN - FUGITIVE (B); ET AL; FBW;
MAIL FRAUD; RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; (OO:
NEW YORK).

RENYTEL TO DIRECTOR, JULY 2, 1985 AND APRIL 24, 1986

~~SECRET~~

196A-1774-425

SEARCHED	INDEXED
SERIALIZED	FILED
JUN 18 1986	
FBI NEW YORK	

[Signature]

AND NUMEROUS TELCALS BETWEEN NEW YORK (NY), BUREAU, LEGAT BONN,
MIAMI AND NEW HAVEN, APRIL 24, 1986 THROUGH JUNE 16, 1986.

THIS TELETYPE IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

PURPOSE OF THIS TELETYPE IS TO UPDATE BUREAU AND RECEIVING
OFFICES ON DEVELOPMENTS IN CAPTIONED MATTER. IT IS NECESSARY TO
CLASSIFY THIS TELETYPE "~~SECRET~~" WHICH PRECLUDES DISSEMINATION OF
CONTENTS OUTSIDE THE FBI WITHOUT PRIOR FBIHQ AUTHORITY.

FOR INFORMATION OF LEGAT, BONN, REFERENCED NY TELETYPE

PROVIDED DETAILS OF PLANNED [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED] THE FOLLOWING INFORMATION REGARDING

[REDACTED] SUBSEQUENT DEVELOPMENTS WAS

OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

[REDACTED] IT IS

NOTED SOURCE IS [REDACTED]
[REDACTED]

b6
b7C
b7D
b7F

(S) (U)

~~SECRET~~

b7D
b7F

INFORMATION FROM SOURCE IS CONSIDERED HIGHLY SINGULAR AND MUST BE
PROTECTED. ~~(S)~~ (U)

SOURCE LEARNED FROM

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

SOURCE NOTED [REDACTED]

[REDACTED] ~~(S)~~ (U)

DURING MORNING OF MAY 6, 1986, NY AGENTS OBSERVED [REDACTED] :

b6
b7C
b7D
b7F

[REDACTED] SOURCE [REDACTED]

[REDACTED] AND LEARNED THE FOLLOWING INFORMATION: ~~(S)~~ (U)

SOURCE LEARNED [REDACTED]

b6
b7C
b7D
b7F

[REDACTED] ~~(S)~~ (U)

~~SECRET~~

[REDACTED]

b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

~~SECRET~~

[REDACTED]

[REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

FOLLOWING THIS DISCUSSION,

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

IN A SEPARATE

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

~~(S)~~ (U)

BT

#0134

~~SECRET~~

OUTBOX.7 (#862)

TO: HQ1 @ EMH1, MM @ EMH2, NH @ EMH1

~~SECRET~~

FROM: NY @ EMH1

SUBJECT: 168/135 PRIORITY

DATE: 18 JUN 86 00:49:59 GMT

CC:

TEXT:

VZCZCNY0135

PP HQ MM NH

DE NY #0135 1682154

ZNY SSSSS

R 172047Z JUN 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI MIAMI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 3

b6
b7C
b7D
b7E

~~(S)~~ (U)

SOURCE LEARNED

b6
b7C
b7D
b7E

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REFERENCED NY TELETYPE, DATED JULY 2, 1985, NY REPORTED
INFORMATION FROM SOURCE REGARDING

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

ON MAY 30, 1986, SOURCE ~~SECRET~~ THAT

b6
b7C
b7D
b7F

SOURCE WAS

1)

2)

3)

~~SECRET~~

b6
b7C
b7D
b7F

ON JUNE 16, 1986, SOURCE ADVISED

b6
b7C
b7D
b7F

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN REGARD TO THE APRIL, 1986, EFFORT TO

HOWEVER, BUREAU AND RECEIVING OFFICES

SHOULD BE AWARE OF AN

b6
b7C
b7E

~~SECRET~~

NY MUST ASSUME SUBJECTS ARE AWARE OF [REDACTED] SINCE

b7E

LEADS

BUREAU IS REQUESTED TO FORWARD CONTENTS OF THIS TELETYPE TO
LEGAT, BONN.

NEW YORK DIVISION WILL MAINTAIN CONTACT WITH SOURCE AND
PROVIDE ADDITIONAL DEVELOPMENTS TO BUREAU AND RECEIVING OFFICES BY
TELEPHONE AND TELETYPE.

BUREAU IS REQUESTED TO MAKE OFFICIAL INQUIRIES WITH [REDACTED]

(S) (U)

b7E
b3

BUREAU SHOULD ALSO CONSIDER CONTACTING [REDACTED]

(S) (U)

BT

#0135

~~SECRET~~

OUTBOX.8 (#863)

TO: HQ1 @ EMH1, MM @ EMH2, NH @ EMH1

FROM: NY @ EMH1

SUBJECT: 168/136 PRIORITY

DATE: 18 JUN 86 00:56:56 GMT

CC:

TEXT:

VZCZCNY0136

PP HQ MM NH

DE NY #0136 1682154

ZNY SSSSS

R 172047Z JUN 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

FBI MIAMI PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 3 OF 3

b7E

LEGAT, BONN, IS REQUESTED TO VERIFY VALIDITY OF

b3
b7E

MIAMI IS REQUESTED TO

~~SECRET~~

b3
b7E

INFORMATION COPY PROVIDED TO NEW HAVEN FOR SA [REDACTED]

b6
b7C

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] ~~(S)~~ INFORMATION
FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING
OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. [REDACTED]

b7D
b7F

[REDACTED] SOURCE IS [REDACTED] FBI INVESTIGATIONS AND
SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY
IS DISCLOSED.

WARNING: [REDACTED]

b6
b7C
b7D
b7F
b7E

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:

~~SECRET~~

PAGE THREE DE NY 0136 ~~SECRET~~ SECTION 3 OF 3

INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY OTHER
AGENCY WITHOUT PRIOR BUREAU APPROVAL.

~~CONFIDENTIAL; DECLASSIFIED~~

BT

#0136

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

~~SECRET~~

~~SECRET~~

78)

~~SECRET~~
FBI

10.4

TELETYPE

PRIORITY

~~SECRET~~

b6
b7C

11/10/86

Corrections
pg 3, 5, 8

Corrections made-sm

2349
2358
0004

PRIORITY
NEW YORK (196A-1774) (P) (C-1)
PRIORITY
DIRECTOR FBI () ()

ATTN: SSA [REDACTED]

ATTN: SSA [REDACTED]

LEGAT BONN () ()

ATTN: SSA [REDACTED]

NEW HAVEN () ()

ATTN: SA [REDACTED]

FCU, DIV. 6

, CI-1A, DIV. 5

b6
b7C

BT

~~SECRET~~

MARC RICH-FUGITIVE (B); PINCUS GREEN-FUGITIVE (B); ET AL; FBW; MF;
RICO; INCOME TAX EVASION; TRADING WITH THE ENEMY; OO:NY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

2-23-01
CLASSIFIED BY [REDACTED]
REASON: 1.5 (2, 4)
DECLASSIFY ON: X 1, 10
01-081

b6
b7C

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

1 - New York
1 - Supervisor C-1
WMM:sm010V3
(2)

317 | *128*
317 | *129*

Approved: *[Signature]* Transmitted

317 | *130* | *196A-1774 426*

NOTE: AFTER APPROVAL, PLEASE ROUTE THIS DOCUMENT BACK TO THE WORD
PROCESSING SUPERVISOR, NOT TO THE TELETYPE ROOM.

WP Initials: *taf*

~~SECRET~~

b6
b7C

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 13 1986	

~~SECRET~~

RENYTELS JANUARY 11, 1985; APRIL 12, 1985; JUNE 11, 1985; JULY 2, 1985; NOVEMBER 25, 1985; AND NYTELCALLS TO FBIHQ AND NH, DATED NOVEMBER 6, 1986; NOVEMBER 10, 1986; AND LEGAT, BONN, NOVEMBER 7, 1986.

THE PURPOSE OF THIS TELETYPE IS TWO FOLD. FIRST, TO ADVISE THE RECEIVING OFFICES OF DEVELOPMENTS IN CAPTIONED MATTER. SECOND, TO REQUEST [REDACTED] AUTHORITY FOR SPECIAL AGENTS [REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] NYO, AND [REDACTED] NEW HAVEN, [REDACTED]
[REDACTED]
[REDACTED] DUE TO NATURE OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN, WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

REFERENCED NEW YORK TELETYPES PROVIDED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

IN REFERENCED NY TELETYPE, DATED JULY 2, 1985, NY REPORTED
INFORMATION FROM SOURCE REGARDING [REDACTED]

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED] ~~(S)~~ (U)

IN CONNECTION WITH THIS AND OTHER MATTERS, [REDACTED]

[REDACTED]

~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F
b7E

[REDACTED]

(U)

[REDACTED] ~~(S)~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

b6
b7C
b7D
b7F

DURING

[REDACTED]

~~(S)~~

(U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[REDACTED]

[REDACTED] ~~(S)~~ (U)

ON

[REDACTED]

AND WAS OBSERVED BY NEW YORK AGENTS. ~~(S)~~ (U)

SOURCE ADVISED THAT DURING

[REDACTED]

b6
b7C
b7D
b7F
b7E

[REDACTED]

[REDACTED] ~~(S)~~ (U)

(U)

[REDACTED]

~~SECRET~~

~~SECRET~~

(U)

[REDACTED] ~~(S)~~

(U)

DUE TO SCHEDULE CONFLICTS
HELD IN SEPTEMBER. ~~(S)~~

b6
b7C
b7D
b7F
b7E

ON THE MORNING OF NOVEMBER 6, 1986, SOURCE ADVISED [REDACTED]

[REDACTED]

(U)

[REDACTED] ~~(S)~~

[REDACTED]

b6
b7C
b7D
b7F

[REDACTED]

(U)

[REDACTED] ~~(S)~~

~~SECRET~~

~~SECRET~~

(U)

[Redacted]

~~(S)~~

SOURCE SUBSEQUENTLY LEARNED

[Redacted]

b6
b7C
b7D
b7F

[Redacted]

(U)

[Redacted]

~~(S)~~

(S)

b1
b3

[Redacted]

~~SECRET~~

~~SECRET~~

(S)

b1
b3

(S)

per year

b1
b3

(U)

NEW YORK NOTES MANY OF THE CHARGES AGAINST RICH AND GREEN
RESULT FROM THEIR INVOLVEMENT IN A VARIETY OF OIL TRANSACTIONS.
THESE CHARGES INCLUDE THE SALE OF EMBARGOED IRANIAN OIL DURING THE

~~(S)~~

~~SECRET~~

(U) IRANIAN HOSTAGE CRISIS IN 1980. THEIR INTEREST IN THE OIL REFINERY IN PLOETSI, ROMANIA, APPEARS VALID. CONTROL OF THE OIL REFINERY WOULD PROVIDE A BASE OF OPERATIONS FOR FUTURE PHYSICAL OIL DEALS. (S)

b1
b3

(S)

BASED ON ABOVE INFORMATION AND

(U)

b6
b7C
b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

[] BASED ON PRODDING BY SOURCE, []

[]

(U)

~~(S)~~

JUSTIFICATION FOR []

b6
b7C
b7D
b7F
b7E

SPECIAL AGENT [] IS THE NEW YORK SOURCE CASE AGENT.
SPECIAL AGENT [] HAS BEEN WORKING WITH THE SOURCE FOR OVER []
[] AND HAS DEVELOPED A CLOSE WORKING RELATIONSHIP WITH SOURCE WHO
TRUSTS [] SPECIAL AGENT [] WILL MAINTAIN CONTACT WITH
SOURCE AS SOURCE HAS REFUSED TO DEAL WITH ANYONE ELSE FOR FEAR OF
SOURCE'S IDENTITY BEING EXPOSED. IN ADDITION, SPECIAL AGENT []

(U)

~~(S)~~

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

CAN IDENTIFY SOURCE'S [REDACTED]

[REDACTED] (~~S~~) (U)
SPECIAL AGENT [REDACTED] IS THE ORIGINAL NEW YORK CASE AGENT FOR THE "MARC RICH" CASE. BASED ON SPECIAL AGENT [REDACTED] EFFORTS, FINES OF \$200,000,000.00 WERE IMPOSED ON AND PAID BY RICH'S COMPANIES AS A SETTLEMENT OF THE CRIMINAL CASE AGAINST THE RICH COMPANIES. SPECIAL AGENT [REDACTED] IS THE ONLY FBI AGENT WHO HAS MET AND CAN IDENTIFY BOTH SUBJECTS. SPECIAL AGENT [REDACTED]

b6
b7C
b7E

[REDACTED] BOTH AGENTS POSSESS VALID OFFICIAL PASSPORTS.

NEW YORK REQUESTS BUREAU OBTAIN [REDACTED] BUREAU APPROVAL FOR SOURCE TO [REDACTED] (~~S~~) (U)

b6
b7C
b7D
b7F

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED] (~~S~~) (U) INFORMATION FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. [REDACTED]

~~SECRET~~

~~SECRET~~

b7D
b7F

[REDACTED] SOURCE IS [REDACTED] FBI INVESTIGATIONS AND
SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS
DISCLOSED.

b6
b7C
b7D
b7F
b7E

WARNING: [REDACTED]
[REDACTED]
[REDACTED] (S) (U)

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:
INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY
OTHER AGENCY WITHOUT PRIOR BUREAU APPROVAL.

~~C BY G-3; D ON OADR.~~

X

X

OUTBOX.3 (#1097)

TO: HQ2 @ EMH2, NH @ EMH1

FROM: NYTX @ EMH2

SUBJECT: 317/128 PRIORITY

DATE: 13 NOV 86 23:49:23 GMT

CC:

TEXT: VZCZCNY0128

PP HQ NH

DE NY #0128 3172308

ZNY SSSSS

R 132110Z NOV 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

ATTN: SSA [REDACTED] FCU, DIV. 6

ATTN: SSA [REDACTED] CI-1A, DIV. 5

LEGAL ATTACHE BONN PRIORITY

ATTN: SSA [REDACTED]

FBI NEW HAVEN PRIORITY

ATTN: SA [REDACTED]

BT

~~SECRET~~ SECTION 1 OF 3

MARC RICH-FUGITIVE (B); PINCUS GREEN-FUGITIVE (B); ET AL; FBW; MF;

RICH; INCOME TAX EVASION; TRADING WITH THE ENEMY; QUINCY

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

EXEMPTED FROM AUTOMATIC
DECLASSIFICATION
AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
EXEMPTION CODE: 25X(1, 6)
DATE 03-28-2017 BY: [REDACTED]
FBI INFORMATION ONLY

b6
b7C

~~SECRET~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

72301
CLASSIFIED BY [REDACTED]
REASON: 1.5 (C-1)
DECLASSIFY ON: X1, 6 01-081

~~SECRET~~

196A 1774 426

SEARCHED	INDEXED
SERIALIZED	FILED
NOV 13 1986	
FBI — NEW YORK	

Am

RENYTELS JANUARY 11, 1985; APRIL 12, 1985; JUNE 11, 1985; JULY 2, 1985; NOVEMBER 25, 1985; AND NYTELCALLS TO FBIHQ AND NY, DATED NOVEMBER 6, 1986; NOVEMBER 10, 1986; AND LEGAT, BONN, NOVEMBER 7, 1986.

THE PURPOSE OF THIS TELETYPE IS TWO FOLD. FIRST, TO ADVISE THE RECEIVING OFFICES OF DEVELOPMENTS IN CAPTIONED MATTER. SECOND, TO

REQUEST [REDACTED] AUTHORITY FOR SPECIAL AGENTS [REDACTED]

[REDACTED] NYO, AND [REDACTED]

NEW HAVEN, [REDACTED]

b6
b7C
b7D
b7E
b7F

[REDACTED] DUE TO NATURE

OF SOME OF THE BELOW INFORMATION, IT IS NECESSARY TO CLASSIFY THIS TELETYPE WHICH PRECLUDES DISSEMINATION TO [REDACTED] BY LEGAT, BONN. NEW YORK WILL PROVIDE LEGAT, BONN, WITH A SUMMARY OF INFORMATION WHICH CAN BE DISSEMINATED TO [REDACTED]

b6
b7C
b7D
b7E
b7F

REFERENCED NEW YORK TELETYPES PROVIDED INFORMATION OBTAINED BY A RELIABLE AND SENSITIVE [REDACTED] SOURCE [REDACTED]

(U)

~~SECRET~~

X

b6
b7C
b7D
b7F


~~(S)~~ (U)


IN REFERENCED NY TELETYPE, DATED JULY 2, 1985, NY REPORTED
INFORMATION FROM SOURCE REGARDING

b6
b7C
b7D
b7F
b7E


~~(S)~~ (U)

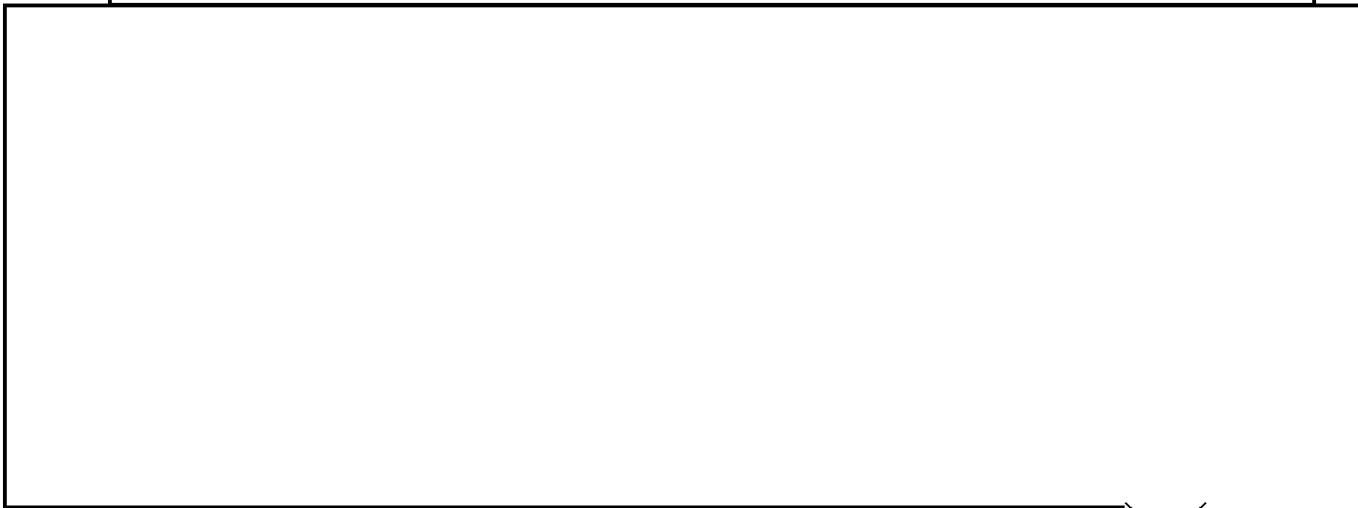

~~SECRET~~

IN CONNECTION WITH THIS ~~AND OTHER~~ MATTERS, 

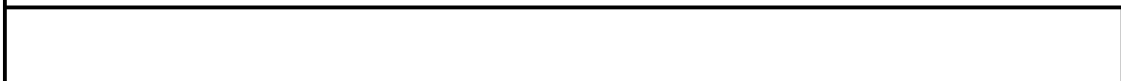


b6
b7C
b7D
b7F
b7E

 ~~(S)~~ (U)



b6
b7C
b7D
b7F

 ~~(S)~~ (U)

~~SECRET~~

DURING

X

b6
b7C
b7D
b7F

~~(S)~~ (U)

ON

b6
b7C
b7D
b7F
b7E

AND WAS OBSERVED BY NEW YORK AGENTS. ~~(S)~~ (U)

SOURCE ADVISED THAT DURING

~~(S)~~ (U)

~~SECRET~~

X

b6
b7C
b7D
b7F
b7E

(U)

~~(S)~~

DUE TO SCHEDULE CONFLICTS [REDACTED]

HELD IN SEPTEMBER, ~~(S)~~ (U)

b6
b7C
b7D
b7F

ON THE MORNING OF NOVEMBER 6, 1986, SOURCE ADVISED [REDACTED]

~~(S)~~ (U)

b6
b7C
b7D
b7F

~~(S)~~ (U)

BT

#0128

~~SECRET~~

OUTBOX.9 (#1098)

TO: HQ2 @ EMH2, NH @ EMH1

FROM: NYTX @ EMH2

SUBJECT: 317/129 PRIORITY

DATE: 13 NOV 86 23:50:12 GMT

CC:

TEXT:

~~SECRET~~

VZCZCNY0129

PP HQ NH

DE NY #0129 3172305

ZNY SSSSS

R 132110Z NOV 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

LEGAL ATTACHE BUNN PRIORITY

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 2 OF 3

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

SOURCE SUBSEQUENTLY LEARNED

[REDACTED]

[REDACTED]

[REDACTED]

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

(S)

b1
b3

X

(S)

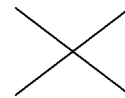
b1
b3

X

~~SECRET~~

(S)

b1
b3



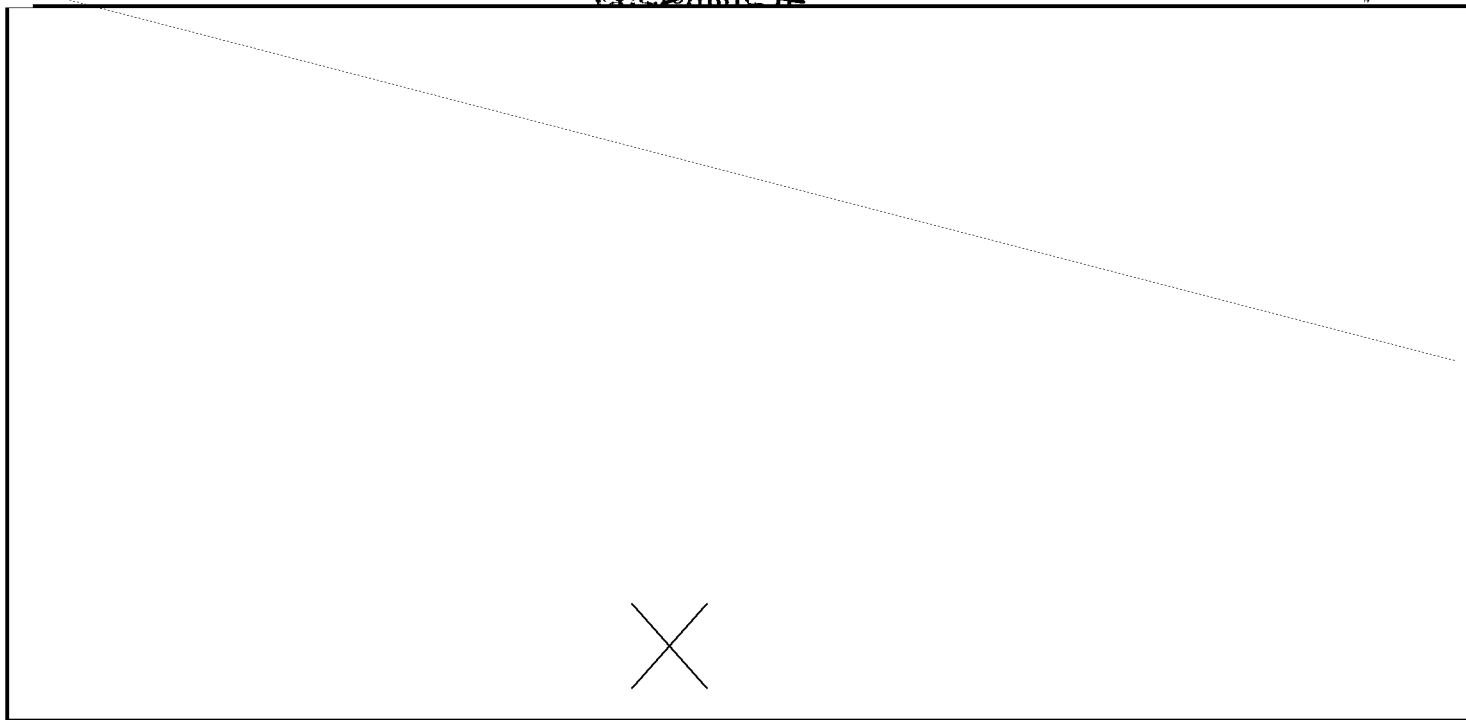
NEW YORK NOTES MANY OF THE CHARGES AGAINST RICH AND GREEN
RESULT FROM THEIR INVOLVEMENT IN A VARIETY OF OIL TRANSACTIONS.
THESE CHARGES INCLUDE THE SALE OF EMBARGOED IRANIAN OIL DURING THE
IRANIAN HOSTAGE CRISIS IN 1980. THEIR INTEREST IN THE OIL REFINERY
IN PLOETSI, ROMANIA, APPEARS VALID. CONTROL OF THE OIL REFINERY ~~(S)~~ (U)

~~SECRET~~

WOULD PROVIDE A BASE OF OPERATIONS FOR FUTURE PHYSICAL OIL DEALS. ~~(S)~~ (U)

~~SECRET~~

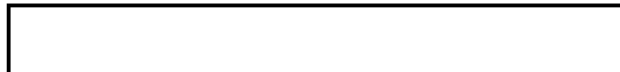
(S)



b1
b3



BASED ON ABOVE INFORMATION AND



b6
b7C
b7D
b7F
b7E



BASED ON PRODDING BY SOURCE,



~~(S)~~ (U)

~~SECRET~~

b6
b7C
b7D
b7F

~~(S)~~ (U)

JUSTIFICATION FOR

SPECIAL AGENT [] IS THE NEW YORK SOURCE CASE AGENT.

b6
b7C
b7D
b7F
b7E

SPECIAL AGENT [] HAS BEEN WORKING WITH THE SOURCE FOR OVER []

[] AND HAS DEVELOPED A CLOSE WORKING RELATIONSHIP WITH SOURCE WHO

TRUSTS [] SPECIAL AGENT [] WILL MAINTAIN CONTACT WITH

SOURCE AS SOURCE HAS REFUSED TO DEAL WITH ANYONE ELSE FOR FEAR OF

SOURCE'S IDENTITY BEING EXPOSED. IN ADDITION, SPECIAL AGENT []

~~(S)~~ (U)

~~SECRET~~

CAN IDENTIFY SOURCE'S [REDACTED]

(S)(U)

~~SECRET~~

b6
b7C
b7D
b7F

SPECIAL AGENT [REDACTED] IS THE ORIGINAL NEW YORK CASE AGENT FOR THE "MARC RICH" CASE. BASED ON SPECIAL AGENT [REDACTED] EFFORTS, FINES OF \$200,000,000.00 WERE IMPOSED ON AND PAID BY RICH'S COMPANIES AS A SETTLEMENT OF THE CRIMINAL CASE AGAINST THE RICH COMPANIES. SPECIAL AGENT [REDACTED] IS THE ONLY FBI AGENT WHO HAS MET AND CAN IDENTIFY BOTH SUBJECTS. SPECIAL AGENT [REDACTED]

b6
b7C
b7E

[REDACTED]
[REDACTED] BOTH AGENTS POSSESS

VALID OFFICIAL PASS. PORTS.

NEW YORK REQUESTS BUREAU OBTAIN [REDACTED]

BUREAU

APPROVAL FOR SOURCE TO [REDACTED]

(S)(U)

b6
b7C
b7D
b7E

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS [REDACTED]

(S)(U) INFORMATION

FROM THIS SOURCE IS HIGHLY SINGULAR IN NATURE AND IMPROPER HANDLING
ET

#0129

~~SECRET~~

OUTBOX.10 (#1100)

TO: HQ2 @ EMH2, NH @ EMH1

FROM: NYTX @ EMH2

SUBJECT: 317/130 PRIORITY

DATE: 14 NOV 86 00:04:34 GMT

CC:

TEXT.

VZCZCNY0130

FM H3 NH

DE NY #0130 3172305

ZNY 88888

R 132110Z NOV 86

FM FBI NEW YORK (196A-1774) (P) (C-1)

TO DIRECTOR FBI PRIORITY

LEGAL ATTACHE BONN PRIORITY.

FBI NEW HAVEN PRIORITY

BT

~~SECRET~~ SECTION 3 OF 3

OF THE INFORMATION COULD DISCLOSE IDENTITY OF SOURCE. [REDACTED]

[REDACTED] SOURCE IS [REDACTED] FBI INVESTIGATIONS AND

SOURCE AND FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS
DISCLOSED.

WARNING: [REDACTED]

b7D
b7F

b6
b7C
b7D
b7F
b7E

(S)(U)

~~SECRET~~

PAGE TWO DE NY 0.00 8-1-57 SECRET SECTION 3 OF 3

WARNING: STATEMENT TO BE ~~SECRET~~ TO ANY DISSEMINATION:

INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY
OTHER AGENCY WITHOUT PRIOR BUREAU APPROVAL.

~~UN BY 8-3; D ON OADR~~

BT

#0130

NNNN

-----END OF DOCUMENT-----

-->

~~SECRET~~

(Mount Clipping in Space Below)

Fugitive adds to wealth

Fugitive Marc Rich's life on the lam is luxurious and lucrative, *Fortune* says. Chain-smoking and downing Diet Coke, he told the magazine that his Swiss-based international commodities trading company, Marc Rich & Co. A.G., earned more than \$100 million before taxes last year on trading volume of \$12 billion.

"Rich has a five-bedroom house filled with valuable art in the picturesque village of Zug, 15 miles south of Zurich, and a ski chalet in St. Moritz.

He is a regular at concerts in Zurich and Lucerne. His American wife has become a rather famous European pop-record star. Thanks to an expensive PR campaign and expansive charitable giving, Rich has achieved something resembling respect in Swiss society," the Dec. 22 issue says.

Rich, 52, is accused of illegally profiting from oil trading in 1980 and 1981. He faces up to 325 years in prison in the USA — if the feds can lay hands on him.

(Indicate page, name of newspaper, city and state.)

USA TODAY

Date: 12/4/86, Pg B-2

Edition:

Title: Marc Rich; ETAL - Fugitive

Character: NY 194A-1774

or

Classification:

Submitting Office:

Indexing:

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-23-01 BY [redacted]

01-081

b6
b7C

196A-1774-427

SEARCHED	INDEXED
SERIALIZED 2	FILED 0
DEC 04 1986	
FBI — NEW YORK	

[Signature]

~~SECRET~~

EXEMPTED FROM AUTOMATIC
DECLASSIFICATION
AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
EXEMPTION CODE: 25X(1,6)
DATE 04-04-2017 BY: [redacted]

b6
b7C

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

MEMORANDUM

~~SECRET~~

DATE: 12/5/86

TO: SAC, DIVISION III

b6
b7C

FROM: SA [redacted] (#3A)

SUBJECT: [redacted] (S)

b1
b3

(OO:NY) [redacted]
MARC RICH - FUGITIVE
ET AL;
FBQ; MF; RICO;
(OO:NY) (NY 196-1774)

2-27-01
CLASSIFIED BY [redacted]
REASON: 1.5 (C, D)
DECLASSIFY ON: X 1, 6
01-081

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.

This communication is classified "~~Secret~~" in its
entirety.

[redacted] who has provided reliable
information in the past provided the following information on
12/4/86. Asset is [redacted]

b7D

[redacted] Asset
advised as follows: (S) (U)

During the latter part of [redacted]

b7D

~~SECRET~~

Classified by G-3
Declassify on OADR

(P31)
(2)

1 [redacted] (S)
1 [redacted] (S) (U)

b1
b3
b7D

TDB:dmn
(4)

~~SECRET~~

Div II
Sq C-1

b6
b7C

196A-1774-428

SEARCHED	INDEXED
SERIALIZED	FILED
DEC 5 1986	
[redacted] RK	

~~SECRET~~

NY

While in [redacted]
[redacted] which were labeled as follows: ~~(S)~~ (U)

[redacted] ~~(S)~~ (U)

b7D

Within the [redacted]

[redacted]

b7D

[redacted] as described above. ~~(S)~~ (U)

Asset recently [redacted]

[redacted]

b7D

[redacted] ~~(S)~~ (U)

Asset does not know [redacted]

[redacted] ~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

~~SECRET~~

Memorandum

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-21-2017 BY:

~~SECRET~~



b6
b7C

To : SAC, (NY196A-1774) (P)

Date 12/9/86

From : SA (C-1)

b6
b7C

Subject : MARC RICH - FUGITIVE;
PINCUS GREEN - FUGITIVE;
ET AL;
FBW; MF; RICO; INCOME TAX EVASION;
TRADING WITH THE ENEMY;
(OO:NY)

Attached for the file is a copy of an article captioned
"The Lifestyle of Rich, The Infamous" which was published in the
12/22/86 edition of FORTUNE Magazine..It is noted that

b7D
b7F

(U) ~~199~~
1-(NY196A-1774)
WMM/wmm

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

*Pgs 3+4
of Attached
Article
by
wmm*

~~2-27-01
CLASSIFIED BY:~~

~~REASON: 1.5 (C)~~

~~DECLASSIFY ON: X-1~~

~~01-06~~

b6
b7C

~~SECRET~~

96A-1774-429

SEARCHED <input checked="" type="checkbox"/>	INDEXED <input checked="" type="checkbox"/>
SERIALIZED <input checked="" type="checkbox"/>	FILED <input checked="" type="checkbox"/>
DEC 10 1986	
FBI — NEW YORK	

BM

THE LIFESTYLE OF RICH, THE INFAMOUS

Marc Rich, biggest tax fugitive in U.S. history, is in Switzerland happily running a commodities trading firm worth nearly \$1 billion.

■ by Shawn Tully

BY STRIKING A DEAL with the SEC and federal prosecutors, Ivan Boesky avoided the hoary tactic of financiers in legal trouble—the quick flight to a country that will not extradite U.S. fugitives. Commodities trader Marc Rich, 52, fled first and tried to deal later. Facing a 65-count criminal indictment that could result in a 325-year prison term—the biggest tax evasion case in U.S. history—he may be abroad for a long time.

His life on the lam is luxurious—and lucrative. Unlike fugitive Robert Vesco, who is holed up less than splendidly in Cuba after years of spending his booty bribing various officials around the Caribbean, Rich is living grandly in Switzerland. Though he has long avoided the U.S. press, Rich spent a day talking to *FORTUNE* in November, his first interview with a non-European publication since he skipped out of New York.

Today his slim face is framed by slicked-back hair and bushy sideburns, and he has an air of dour refinement. In his office he chain-smokes imported cigars and downs Diet Coke. Rich's Swiss-based international commodities trading company, Marc Rich & Co. AG, has become one of the biggest in the world. He says that the company earned more than \$100 million before taxes on trading volume of \$12 billion in 1985 and that its capital stands at \$950 million.

Rich has a five-bedroom house filled

REPORTER ASSOCIATE Nancy J. Perry

with valuable art in the picturesque village of Zug, 15 miles south of Zurich, and a ski chalet in St. Moritz. He is a regular at concerts in Zurich and Lucerne. His American wife has become a rather famous European pop-record star. Thanks to an expensive P.R. campaign and expansive charitable giving, Rich has achieved something resembling respect in Swiss society.

Living abroad is not a new experience for him. Born in Antwerp, Rich came to the U.S. with his parents at age 8. As a rising young commodities trader for New York-based Philipp Brothers, now a subsidiary of Salomon Inc., he resided in Spain for 14 years. Still, returning to America has become an obsession. "I want very badly to be able to go back," he says, speaking in a faintly European accent. "I think about the U.S. every day. My mother is there and my in-laws. It's a generous country that accepted my parents and me." (When his father died in New York last September, Rich was pained not to attend the funeral. Federal agents would have arrested him.)

To find some way out Rich has assembled an influential legal team headed by Washington superlawyer Edward Bennett Williams and including Leonard Garment, former special counsel on the Nixon White House staff. Robert Gray, the Washington public relations consultant who was secretary to the Cabinet in the Eisenhower Administration and co-chairman of Ronald Reagan's first inaugural, is on retainer.

"I've made mistakes," Rich says, in what starts out sounding like contrition. "I guess my reputation will never fully recover." Then it becomes clear he is talking about legal strategy. He argues that what he really has is an image problem. "I've been portrayed in a horrible way," he says, "as a workaholic, a loner, a money machine. It's not a true picture. I'm a modest, quiet person who has never done anything illegal." Sometimes he portrays himself as victim: "What happened to me was an unfortunate chain of events that hasn't shaken my faith in the U.S."

The Justice Department isn't buying any of that. In the prosecutors' view, Rich and partner Pincus "Pinky" Green, 52, are simply fugitives. Assistant U.S. Attorney Martin Auerbach says his office is ready to go to trial if it can get its hands on the defendants. For U.S. authorities, Rich and Green are Vesco-size targets. Marshals have designed tantalizing schemes to nab them, especially Rich, who is the more active of the two. Rich has neared the bait several times, only to slip away at the last moment.

The case is hideously complicated, and some of it hinges on violations in 1980 and 1981 of oil price laws long since repealed and never particularly popular. If Rich and Green were fudging price controls, they had a lot of company. A number of major oil producers have long since settled similar cases. The fugitives are also accused of trading with the enemy, for buying

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 2-21-01 BY [REDACTED]

b6
b7c

DECEMBER 22, 1986 FORTUNE

"I'm a
modest, quiet
person who
has never
done anything
illegal."



On top of the world in Zug: Marc Rich has a five-bedroom house, a six-story office building, and an 11-digit company.

MONEY & MARKETS

oil from Iran during the hostage crisis in 1980.

If those issues were all the case involved, Rich and Green might have come home long ago, or might never have left. The big one is tax evasion. The government charges that the pair smuggled \$105 million of profits from those illegal oil transactions to Switzerland to avoid paying \$48 million in U.S. taxes. Shortly after fleeing to Switzerland, they reportedly offered to pay \$100 million if the government would settle the charges—and were turned down flat. Says Auerbach: "They have broached this issue for a

P.R. campaign in the U.S. In 1984 Robert Gray traveled to Zug with his associate Frank Mankiewicz, former head of National Public Radio, and Meryl Comer, a consultant to Gray who also co-anchors a business news show on ESPN, the cable-TV network. Gray advised Rich to go public in the U.S. by granting interviews to U.S. newspaper and TV reporters. Comer even taped a practice interview with Rich to see how he came across.

Rich did buff up his image in Switzerland with a successful campaign led by Peter Hargitay, a Zurich P.R. man. Hargitay says he was paid a monthly

most seem happy to let him try, as long as he is willing to spend so much cash on the project. This year, among a host of charitable activities, Marc Rich AG set up a \$3-million foundation to make grants to artists, scientists, and worthy organizations in Switzerland. In November the foundation sprinkled \$150,000 among a Zurich chamber orchestra, a group that teaches the disabled to work, and the Catastrophe Dogs, an organization that uses dogs to find people in the rubble of earthquakes. The foundation's board is headed by a retired three-star general who runs Switzerland's Red Cross.

Lavish parties have helped Rich make friends. The splashiest was his 50th birthday bash two years ago in Lucerne's National Hotel. His wife sang two of her compositions: "Don't Look Back" and "The Years Go By So Quickly." Marc's partners gave him a ten-foot-long sailboat made of chocolate, plus the title to a motorboat to be delivered later. The highlight of the evening was a mock boxing match pitting a clown wearing the Marc Rich logo against one dressed as a New York cop. Another clown in judge's robes acted as referee.



The Miró behind the fugitive and his pop-singer wife shares space in their home with works of Braque, Léger, Giacometti, and, of course, Picasso.

long time through a variety of channels in the Justice Department and anywhere else in Washington they can get a hearing. They are no closer to coming back to the U.S. now than when they left. They can't buy their way out of jail."

Faced with such an uncompromising position, Rich apparently has quietly switched legal strategies. His lawyers plan to attack the evidence in the tax case in hopes of persuading the government to drop the indictment. Says one: "We're going back and reviewing everything. What we're learning gives us some encouragement, but we're not Pollyannas."

Until his lawyers cooled on the idea, Rich was thinking of launching a major

retainer that added up to "the middle six figures" annually. In 1985 and 1986 Hargitay arranged about 30 interviews with Swiss newspapers, magazines, and TV stations. Sometimes he looked over the interviewers' questions in advance, then helped edit the interview. Most of the coverage was favorable, in part because the Swiss business press is notoriously flattering. Interviewers asked Rich about the future of OPEC, the commodities business, and how he liked Switzerland, but rarely broached the legal case. He told one that he missed New York "not at all" and wished he had "come to live in Switzerland many years ago."

Though a few Swiss grumble that Rich is trying to buy a good name,

THOUGH HE walked away from a ten-room Park Avenue apartment in New York, Rich has hardly taken a step down. His hilltop house has a breathtaking view of the misty lake of Zug. Cream-colored carpeting and sleek modern furniture designed by a California decorator set off superb works of art. His collection includes two Picassos, as well as paintings by Georges Braque, Fernand Léger, and Joan Miró, and a sculpture by Alberto Giacometti. A giant satellite dish captures programs from France, England, and Germany, as well as Cable News Network from the U.S. A Spanish couple serve as butler and maid.

Rich and his wife have three daughters: Gabriella, 17, and Daniella, 11, go to school in Switzerland and Ilona, 19, is an art student in France. Fluent in German, French, and Spanish, Rich speaks Spanish to his terrier, Macho, and to his daughters. The two oldest girls learned the language as very young children in Spain, and he doesn't want them to forget it.

On ski weekends in St. Moritz, Rich

MONEY & MARKETS

often helicopters with other expert skiers to remote spots high above the lifts. Each weekday morning, he takes a dip in his indoor swimming pool, then is chauffeured in a gray Mercedes to the office ten minutes away.

His headquarters, a six-story cube of blue reflecting glass, is plushly appointed. Soft jazz and popular music fill the halls and elevators. The lobby floor is burgundy marble, and the carpeting is salmon pink. On the walls are a collage by Swiss artist and architect Le Corbusier and a painting by 20th-century Spanish painter Antonio Gaudí. Rich's office is equipped with an electrically operated door so that he can buzz visitors in without leaving his desk or getting off the phone. At lunchtime he strolls across a parking lot to his private dining room at the Glashof, a restaurant owned by his company that offers both Swiss and kosher food.

HE CAN wolf down a three-course lunch in 30 minutes to rush back to the office. Windy discussions irk him. Occasionally he simply excuses himself, even from his own office, sending an underling back to finish the conversation. "He's always stressed and in a hurry," says one former associate. "And he never says thank you." But friends assert he is flawlessly considerate to them. He sends long, handwritten letters to friends and employees on the death of a parent or the birth of a child, and fetches coffee for business visitors. He is extremely soft-spoken. "Sometimes when I fire someone," he says, "they don't notice right away."

For Rich, once an inveterate globe-trotter, the world has shrunk drastically. Tax evasion as defined by U.S. law is not included in Switzerland's extradition treaty with the U.S. Rich also can safely visit Spain. Several years ago he became a Spanish citizen, though neither he nor his lawyers will say how or why he arranged it. But many countries in Western Europe will extradite U.S. fugitives indicted for tax fraud.

In contrast to her cosmopolitan husband, Denise Rich is overwhelmingly American, a self-described "junk-food addict, pizza lover, and fan of deli

corned-beef sandwiches." Daughter of a wealthy New England shoe manufacturer, she is a sunny optimist who gushes, "I'm surrounded by positive energy." Raven-black hair and almond eyes give her an exotic look. She and Marc met on a blind date in New York around Christmas 1965.

After years of trying, Denise hit the big time last year with her song "Frankie," sung by the American female rock group Sister Sledge and released on Atlantic Records. "Frankie" was the No. 1 hit in Britain for six weeks and sold more than 750,000 copies, winning a gold record. Meanwhile, Denise has sung on TV in Switzerland and Germany, and recently made a music video in London. Her new album for MCA Records, *Sweet Pain of Love*, is now on sale in Switzerland and will be distributed in the rest of Europe in February. She says that some of the songs are about Marc.

If Marc and Denise are an odd couple, Rich and Pinky Green are an equally unlikely twosome. Green is as playful as Rich is intense. "Pinky reminds me of Groucho Marx," says a former Rich associate. Tall and crew-cut, Green is a confirmed quipster. Asked about the oil business, he shoots back, "Oil? Isn't that the stuff you pack sardines in?" Devoutly religious, Green has a home in Zug and another in the Enge Jewish quarter of Zurich, within walking distance of a synagogue. He rushes out of the office on Friday afternoon so he can start celebrating the Sabbath by sundown, in accordance with Orthodox Jewish tradition. He eats kosher food and keeps it simple—lox and tomatoes are a favorite lunch.

Rich and Green were able to flee the U.S. without skipping a business beat. Though they operated out of New York, their company had always been headquartered in Switzerland. In the early 1970s both had become star Philipp Brothers traders, Rich in Spain and Green in the company's office in Zug. Angered because they considered their bonuses for 1973 inadequate, the two bolted and started Marc Rich AG. Zug, a center of European commodities trading, seemed as good a place as any to set up shop.

Shortly after the two fled New York in 1983, Marc Rich AG sold its U.S. af-

filiate to Alec Hackel, 58, a wiry, loquacious German who is a partner in the Zug operation. Authorities in the U.S. said it wasn't a real sale and froze the assets of the company, which had been renamed Clarendon Ltd. Unable to do business in the U.S., Marc Rich AG's trading volume dropped. In 1984 Clarendon paid the U.S. government \$150 million to settle tax charges against the company—a separate issue from the criminal tax case against Rich. After that, Rich's business surged.

MARC RICH AG is run by a triumvirate of Rich, Green, and Hackel, who hold the majority of the company's stock. About 100 employees also own shares. Rich looks after oil, Hackel runs the metals and minerals division, and Green, nicknamed "the Admiral," handles shipping, along with finance and administration. Rich says he and the other top partners each earn \$1 million or more a year.

Whatever U.S. prosecutors think about Rich, competitors and clients have respect for his abilities as a trader. They say he combines excellent judgment with a vast network of contacts around the world. "He has survived because he has the most talent," says Slimane Bouguerra, a competitor in Geneva. Adds Richard Perkins, head oil trader at Chevron International: "We do deals with him. Marc Rich has always performed on his contracts and has good standing with the majors." Rich estimates that Marc Rich AG trades 900,000 barrels a day in crude oil, and another 400,000 barrels of naphtha and other oil products.

According to Rich, the company has weathered the commodities recession better than other traders by carefully minimizing risks. It seldom buys a cargo, he says, without first lining up a customer—at a price that includes a slim trading margin. "We see the trading as a service business," he says. "We put producers and buyers together in exchange for a service charge. We hope not to be too dependent on price cycles. We're not sexy or speculative. It's insane to try for a killing in today's market." Some caution a few years ago might have saved Rich and Green a lot of lawyers' fees—not to mention one-way tickets to Zug. **E**

Each morning, Rich takes a dip in his indoor pool, then is chauffeured in a gray Mercedes to the office ten minutes away.

OUTBOX.1 (#1376)

TO: HQ1 @ EMH1

FROM: NY @ EMH1

SUBJECT: 005/139 IMMEDIATE

DATE: 6 JAN 87 01:58:19 GMT

CC:

TEXT: VZCZCNY0139

OO HQ

DE NY #0139 0060116

ZNY UUUUU

R 052403Z JAN 87

FM FBI NEW YORK (58A-2585) (P) (C-4)

TO DIRECTOR FBI IMMEDIATE

ATTN: SSA [REDACTED]

PUBLIC CORRUPTION UNIT

BT

UNCLAS

b6
b7C

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE [REDACTED] BY [REDACTED]~~

"FRONT DOOR": MAJOR CASE #90: OO: FBIHQ

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 03-28-2017 BY [REDACTED] ADG

~~SECRET~~

b6
b7C

2-27-01
CLASSIFIED BY: [REDACTED]
REASON: 1.5 (CAY)
DECLASSIFY ON: X 1.6

01-081

~~ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED EXCEPT
WHERE SHOWN OTHERWISE.~~

SAC II [REDACTED]

FYI re

our discussion
in the evening of
1-5-87

b6
b7C

THIS COMMUNICATION IS CLASSIFIED "~~SECRET~~" IN ITS ENTIRETY.

RENYTELCALL TO FBIHQ, JANUARY 5, 1987, AND NYTEL TO FBIHQ,
NOVEMBER 10, 1986, CAPTIONED "MARC RICH - FUGITIVE (B); PINCUS
GREEN-FUGITIVE (B); ET AL; FBW: MF; RICO; INCOME TAX EVASION;
TRADING WITH THE ENEMY: OO:NY

RENYTEL PROVIDED INFORMATION OBTAINED BY A VERY RELIABLE AND

~~SECRET~~

Supv.

b6
b7C

(U)

58A-2585

(S) 194A-1774-430

SEARCHED	INDEXED
SERIALIZED	FILED
JAN 06 1987	
[REDACTED]	

ORH [REDACTED]

~~SECRET~~

SENSITIVE

SOURCE

b6
b7C
b7D
b7F

~~(S)~~ (U)

IN CONNECTION WITH REFERENCED TELETYPE,

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b7D
b7F

~~(S)~~ (U)

DURING

b6
b7C
b7D
b7F

~~(S)~~ (U)

~~SECRET~~

~~SECRET~~

b6
b7C
b7D
b7F

SOURCE DOES NOT KNOW IF

b6
b7C
b7D
b7F

~~BY G-2, 2 ON CADR.~~

ADMINISTRATIVE

SOURCE PROVIDING ABOVE INFORMATION IS ~~(S)~~(U) INFORMATION

FROM THIS SOURCE IS HIGHLY SINGULAR AND IMPROPER HANDLING COULD

DISCLOSE SOURCE'S IDENTITY.

SOURCE IS

CRITICAL TO

SOURCE AND

b7D
b7F
b7E

~~SECRET~~

~~SECRET~~

* FAMILY WILL BE IN PHYSICAL DANGER IF SOURCE'S IDENTITY IS DISCLOSED.

SOURCE ADVISED ON [REDACTED]

SOURCE WILL

ATTEMPT TO DEVELOP ADDITIONAL INFORMATION [REDACTED]

(S)(U)

WARNING: [REDACTED]

(S)(U)

b6
b7C
b7D
b7F

b6
b7C
b7D
b7F
b7E

WARNING: STATEMENT TO BE ADDED TO ANY DISSEMINATION:

INFORMATION ON THIS DOCUMENT SHOULD NOT BE PROVIDED TO ANY
OTHER AGENCY WITHOUT PRIOR BUREAU APPROVAL.

BT

#0139

NNNN

-----END OF DOCUMENT-----

~~SECRET~~

~~SECRET~~

~~SECRET~~